



Daily Report

China

FBIS-CHI-90-077
Friday
20 April 1990

Daily Report

China

FBIS-CHI-90-077

CONTENTS

20 April 1990

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

General

Dissidents Chai Ling, Feng Congde Interviewed	1
LIEN HO PAO [15 Apr]	1
LE FIGARO [17 Apr]	4
Opposition to 'Goddess of Democracy' Viewed [XINHUA]	5
Ren Jianxin Meets International Court Justice [XINHUA]	5
Guangdong Capital Holds Spring Export Fair	5
Opens 15 Apr [XINHUA]	5
Export Boost Expected [CHINA DAILY 19 Apr]	6
Inner Mongolia Expands Foreign Investor Links [XINHUA]	6
Iraq To Compete in Asian Games [XINHUA]	6
U.S.-French Summit Talks on NATO Viewed [TA KUNG PAO 19 Apr]	7
Roundup Views German Reunification Debate [XINHUA]	7
Cooperation Symposium Opens in Shandong [Jinan Radio]	8
Delegate Attends Australia Tobacco Conference [XINHUA]	9

United States & Canada

Spokeswoman on Hopes for Normalizing Relations [TA KUNG PAO 20 Apr]	9
---	---

Soviet Union

Li Peng's Moscow Agenda to Include Trade Ties [CHINA DAILY 20 Apr]	10
Article Previews Li Peng's Moscow Visit [WEN WEI PO 20 Apr]	10
XINHUA Roundup Views Trade Relations	10

Northeast Asia

Liaoning Province Receives Delegations	11
DPRK [LIAONING RIBAO 17 Mar]	11
Japanese [Shenyang Radio]	12

Southeast Asia & Pacific

Fijian Prime Minister Visit Continues	12
Meets Jiang Zemin [XINHUA]	12
Li Peng Hosts Banquet [XINHUA]	13
Cooperation Agreement Signed [XINHUA]	13
Shandong Governor Meets New Zealand City Mayor [Jinan Radio]	14

Near East & South Asia

Economic Restructuring Delegation Leaves India [XINHUA]	14
UAE Culture Minister Views Mideast Issues [XINHUA]	14

Sub-Saharan Africa

Central African President Continues Visit	15
Meets Li Peng in Shanghai [Shanghai Radio]	15
Jiangsu Governor Hosts Dinner [XINHUA]	15
Equatorial Guinea President Returns to Beijing [Jinan Radio]	16

West Europe

Li Peng Meets With FRG Automobile Executive [XINHUA]	16
--	----

Latin America & Caribbean

Tian Jiyun Meets Mexican Presidential Advisor [XINHUA]	16
Peru Awards Medals to NPC Officials [XINHUA]	17

NATIONAL AFFAIRS

Political & Social

Further on Li Peng at Beijing NPC Delegation [BEIJING RIBAO 24 Mar]	18
Li Peng Pays Surprise Visit to Shanghai Residents [XINHUA]	19
'Text' of CPC Decision on Ties With Masses [XINHUA]	21
Li Tieying Speaks at Meeting Discussing Census	26
Li Chairs Meeting [XINHUA]	26
Li Stresses Census Importance [XINHUA]	26
Zhao Dongwan Addresses National Personnel Meeting [XINHUA]	27
Editorial Cites Need To Boost National Economy [RENMING RIBAO OVERSEAS EDITION 20 Apr]	27
RENMIN RIBAO's Gao Di on Public Opinion [LIAOWANG 26 Mar]	29
Propagandist Discusses Ideological, Political Work [LIAOWANG 26 Mar]	30
Measures Announced To Help School Dropouts [CHINA DAILY 20 Apr]	32
Funds Released for Fight Against Snail Fever [CHINA DAILY 20 Apr]	32
XINHUA Features Information on Nationalities	33
Achang Nationality	33
Bai Nationality	33

Science & Technology

Communication Tests Start on Asian Satellite [XINHUA]	34
Torch Plan Benefits for Technology Described [XINHUA]	34
First Test-Tube Pigs Successfully Bred in Jiangsu [XINHUA]	34

Military

Progress, Capabilities of Air Force Cited [BAN YUE TAN 25 Feb]	35
Deputies on Need for Law To Protect Soldiers [JIEFANGJUN BAO 28 Mar]	36
Logistics Official on Coping With Tighter Budget [JIEFANGJUN BAO 27 Mar]	36
Leaders Stress Better Grass-Roots Service [JIEFANGJUN BAO 31 Mar]	37
Reasons Noted for Regularization of Armed Forces [JIEFANGJUN BAO 30 Mar]	39
Military Commission Honors Nanjing Region Leader [Beijing TV]	41

Economic & Agricultural

Commentator Views Joint Venture Law, Opening Up [RENMING RIBAO 8 Apr]	41
Foreign-Funded Enterprise Seminars Planned [CHINA DAILY 11 Apr]	42
Total Imports, Exports for March Announced [CEI Database]	42
Economists Try To Regain Important Role [Hong Kong HONGKONG STANDARD 11 Apr]	43
Minister Calls for End to Local Protectionism [XINHUA]	43
Commentator Urges Stronger Auditing Supervision [RENMING RIBAO 5 Apr]	44
Article Stresses Structural Adjustment [RENMING RIBAO 26 Mar]	45
Article Analyzes Economic Situation [RENMING RIBAO OVERSEAS EDITION 29 Mar]	47
Zou Jiahua Wants Action on Enterprise Defaults [XINHUA]	48
Aid for Ailing Enterprises Spelled Out [CHINA DAILY 12 Apr]	48
Spark Plan Successful in Developing Rural Economy [XINHUA]	49
Further on Spark Plan Benefits [CHINA DAILY 6 Apr]	49

REGIONAL AFFAIRS

Southwest Region

Guizhou Holds Meeting on Aiding Outlying Areas [Guiyang Radio]	51
--	----

Northwest Region

Qinghai Plans Implementation of Central Decision [Xining Radio]	51
Traveler Reports Unrest in Xinjiang Region [AFP]	52

TAIWAN

Wego Chiang Denies Secret Meeting With Deng [CNA]	54
Commentary Lists Conditions for Mainland Trade [CNA]	54

HONG KONG & MACAO

Hong Kong

Legislator Warns U.S. on MFN Status for PRC [ZHONGGUO XINWEN SHE]	56
Basic Law Committee Holds Closing Reception [XINHUA]	56
Governor Refutes Criticism on Beijing Meeting [SOUTH CHINA MORNING POST 20 Apr]	57
Many Guangdong-funded Enterprises Close or Merge [HONGKONG STANDARD 16 Apr]	57
Incorrect Emigration Estimates Revised [SOUTH CHINA MORNING POST 20 Apr]	58

General

Dissidents Chai Ling, Feng Congde Interviewed

LIEN HO PAO

OW2004033590 Taipei LIEN HO PAO in Chinese
15 Apr 90 p 5

[Summaries of "exclusive" interviews with Chinese dissidents Chai Ling and Feng Congde in Paris on 13 and 14 April by reporters Tu I-chih, Wu Yu-lun, and Kuo Nai-hsiung]

[Text] (Editor's note: When our readers read this, it will be 15 April, which also happens to be Chai Ling's birthday. LIEN HO PAO reporters conducted exclusive interviews with Chai Ling and her husband Feng Congde in a hotel near the Arc de Triomphe in Paris on 13 and 14 April, the eve of Chai Ling's 24th birthday. It was Chai Ling's first interview with the news media. Journalists from the LIEN HO PAO chain were the only Chinese journalists interviewing them on those two days. During the 13 April interview, some foreign journalists were present, including those from THE NEW YORK TIMES, THE WASHINGTON POST, and two other world-famous newspapers. When the script of the 13 April interview reached our office early yesterday morning, we had already begun printing that day's newspapers. Even so, we had to change the printing plate to insert the script, and therefore became the world's first newspaper to report on the interview with Chai Ling and Feng Congde. However, only some 100,000 copies of yesterday's newspaper, about one tenth of our total circulation, carried the report. To ensure that most of our readers acquire the 13 April report, we hereby combine the 13 April interview together with the 14 April interview and publish them as one in today's newspaper. In addition, Mr. Zu Wei, who is a leader of the pro-democracy movement on Mainland China and is now residing in Paris, assisted us in arranging this exclusive interview. We wish to make a correction to yesterday's report, where we mistook him for a reporter of OU CHOU JIH PAO [Europe Daily].)

Chai Ling's 24th birthday falls on 15 April. She received some birthday gifts ahead of time—a cake and two T-shirts printed with the "Goddess of Democracy." Chai Ling said that this year's birthday is particularly meaningful because not only was she born in the Year of the Horse, but she won her freedom this year, also the Year of the Horse. She and her husband have pledged to dedicate themselves to the pro-democracy movement.

Reporters from the LIEN HO PAO chain interviewed Chai Ling and Feng Congde on 13 and 14 April.

Chai Ling and Feng Congde, who arrived safely in Paris, France, after 10 months of frightened fugitive life, were openly interviewed for the first time by news media of the free world. As Chai Ling talked about her escape experience, which caused her to realize the value of life and freedom, she often cupped her chin in her hands. It

seemed that her energy which was worn away during the escape had not yet been restored. When she talked about the fact that Feng Congde almost was captured three times during the escape, she still looked horror-stricken. Feng Congde then held her hand to calm her down.

During the 14 April interview with reporters from the LIEN HO PAO chain, Chai Ling, after a short rest, no longer looked as pale as she did during her television appearance. It seemed as though she had regained the same confidence and manner she had when she was directing the students' hunger strike at Tiananmen Square; even so, the fatigue from the 10-month escape ordeal could not be wiped out right away. When answering or even listening to questions, she often uttered long sighs, as if there were many things that she could not discuss. When talking about how she misses her relatives, the imprisoned pro-democracy people, and those unknown heroes who have disappeared since the 4 June incident, her voice became quiet and husky, revealing her helplessness.

During the entire interview, the couple sat close together. It seemed that Feng Congde had his arms around Chai Ling's shoulder all along. When answering questions, they often looked at each other affectionately. However, they did not refrain from correcting each other when their opinions differed. In general, however, Chai Ling played the leading role, full of confidence in her answers and with some insistence.

Chai Ling said she never regretted participating in the student movement. She said she would have felt sorry all her life if she had not participated, even if she had known beforehand that it would bring about so much hardship and pain.

Their escape route and hideaways were topics that Chai Ling and Feng Congde evaded, but they admitted that their escape covered more than 10 provinces, including some very poor ones, that they had contacts with people of all walks of life, and that 99 percent of the people who helped them were strangers.

They emphasized over and over that they did not have any foreign economic assistance during the escape and that they mainly relied on internal help on the mainland; however, they did keep in touch with people overseas during the escape.

Chai Ling said that during the early stage of the escape, they did not think of foreign countries and planned to remain on the mainland for some time, carrying out underground activities, familiarizing themselves with the international situation, and uniting with other underground organizations on the mainland to do more for the pro-democracy movement.

On underground organizations, Chai Ling pointed out that on the mainland today, in addition to well-organized student organizations, there are also many other similar underground organizations. Feng Congde believed that those organizations have become even

more close-knit under the white terror there. Chai Ling explained that the underground organizations are now composed of only very brave people. She said opportunists were among the participants in previous large-scale mass movements. She said all those who step forward today clearly know their duties and risks.

Chai Ling did not directly answer the question on whether the present underground student organizations could repeat last year's large-scale student movement. She only said it is not important whether these organizations can organize the same large-scale movement as last year. She said what is most important is that the spirit of the man blocking tanks during the 4 June massacre has taken root in the hearts of the people, and this is the most effective force to end the 40-year ruthless rule of the Chinese Communists.

Chai Ling admitted making some contact with some underground student organizations during her escape. After arriving in France, she said she could only expect to send information back home through the media but hoped to restore contacts with them through other means later in order to provide them with the necessary assistance and resources. Chai Ling said that at present, she could only get some fragmentary information on those organizations. She did not want to elaborate on that information.

The following is a summary of the 13 April interview by reporters of OU CHOU JIH PAO of the LIEN HO PAO chain with Chai Ling and Feng Congde.

Question: You now live in peace, and it is your birthday. You must want to say something to your parents and other people at home and thank your friends who have helped you?

Chai Ling: My birthday this year has special meaning to me. I have regained my freedom in a year traditionally known to the Chinese as the Year of the Horse, and I was born in a Year of the Horse. I am very thankful for my parents who raised and nurtured me, my teachers who taught me, and all the fine Chinese people who saved and protected [jiu hu 2405 6233] me during our flight. They gave us our second lives. I also cannot forget the land and motherland which nurtured me. I love my motherland deeply. I wish to extend my love and best wishes to all my countrymen.

Question: The whole world is concerned about your health. How is your health?

Chai Ling: Many thanks to all the kind-hearted people for their concern for me. After being on the run for 10 months, I am quite exhausted, and I still have not had the opportunity to get a thorough physical checkup. I can only briefly describe certain symptoms and tell you how I feel. My appetite is poor. I feel uncomfortable after eating. I throw up constantly. The psychological damage might be even greater. During our flight and even after we reached the free world, the horrifying scenes of ugly flesh and blood still appear whenever I close my eyes. I

am a psychology student, so I have been trying to counsel myself, but I am still afraid to turn off the light at night. The 4 June massacre has really left a very, very deep scar in my mind.

Question: Both France and the United States have expressed welcome to you. Which country do you wish to settle in?

Chai Ling: I must, first of all, thank the American people for their support and assistance to the pro-democracy movement on Mainland China. We are now in France, and my physical health is not good. I think I will finish what we have to do here first, such as meeting the media, then I will take a rest somewhere else. As for the future, I will make a decision according to the situation and needs.

Question: Your talks and your articles show that you have intense literary emotions. Lu Xun says in one of his poems: "Bearing the sight of friends becoming new ghosts, I angrily look for dainty poems in daggers behind the bushes." Have you written anything during the last 10 months to remember the martyrs who died in the massacre? If you have, can you let us read them first?

Chai Ling: We indeed had all kinds of feelings when we were on the run, and we indeed wrote down our feelings. However, these feelings cannot be expressed in a poem or in a few sentences. It will take awhile to put in order what we have written down. We want to tell the whole world our actual experiences. It may be expressed in a book or in some other form. We hope the project will be accomplished as soon as possible.

Question: Students played the vanguard role in Europe's democratic movement. What do you think of the student pro-democracy movement on the mainland? Feng Congde, you are a student of remote sensing. Can you demonstrate some of your "remote sensing" abilities?

Feng Congde: The term remote sensing has two meanings. Scientifically, it is technology to conduct surveys of the earth and collect information about the earth using satellites and planes. In qigong [deep-breathing exercises], it refers to being able to see far, far away. I do not have this ability now.

Chai Ling: He means the kind of "remote sensing" that is relevant to time and space.

Question: Kind-hearted people the world over, especially women, are particularly interested in a report that you became pregnant when you were on the run. Can you confirm this report?

Chai Ling: I must thank them for their concern and love. It is true that when we were on the run, when we were constantly facing the threat of death, and when we were in the agony of not being free, my husband and I developed a special love for life and we were very eager to have a baby. We were not able to realize our dream because life was too arduous. The objective conditions did not exist.

Question: The report was not true, in other words?

Chai Ling: Right. It told of our agonizing but beautiful wish, which did not come true.

Question: According to reports, the Chinese Communist authorities designated a vice minister of public security to take charge of your capture. We can imagine your danger. Were there kind-minded and wise people who performed plastic surgery on you or gave you special makeup so that you could escape without being discovered.

Chai Ling: Yes. I had some plastic surgery. My single-fold eyelids were cut into double-fold eyelids. The surgery was performed by a surgeon whom our protectors contacted through special channels. When we were on the run, we had some makeup on more or less. But it was because of the special assistance of our friends that we were able to escape. For example, I had an identity card. This ID card was very, very important... (Chai Ling felt it was inappropriate to continue)

Question: Eighteen internationally known news organizations have purchased a ship and turned it into a radio station called the "Goddess of Democracy." It will start broadcasting to the people on the mainland from the East China Sea on the anniversary of the "4 June" massacre. Will you talk to the 1.1 billion people on the mainland from the ship?

Chai Ling: When we were on the run on the Chinese mainland, we learned from the world media that 18 international news organizations had turned a ship into a radio station called the "Goddess of Democracy." People on the mainland are greatly encouraged by this. They hope that the ship will break through the Chinese Communist authorities' news blockade and act as a catalyst accelerating the pro-democracy movement on the Chinese mainland. As for the question whether I will broadcast from the ship, I think the first thing I will do is produce a recorded talk to be broadcast from the ship.

Question: When you were commander-in-chief in Tiananmen Square, you insisted on the independence of the student movement. Now that you are in a foreign country, will you continue to direct the student movement? Will you join the "Federation for Democracy in China," which is a much larger organization for promoting the democratic movement, or other organizations?

Chai Ling: First of all, I must say that the term "independence" which certain media used to describe our student movement was not very accurate. The situation at that time was like this: I was the chief commander of the fasting students first and became the chief commander in Tiananmen Square later on. My responsibilities were to collect the students' views and attend the joint conferences of delegations from all universities and colleges. And things subsequently developed into a popular movement for democracy and freedom. Although the students were required to vote on all our decisions in

a democratic manner, we did not exclude the views from people of other social sectors. I must point out that independence does not mean exclusiveness. After we arrived overseas, my husband and I have time and again expressed our respect for people in all circles for their support of China's pro-democracy movement. We are very willing to join hands with democratic movement leaders at home and abroad to work for China's democratic movement. As to what I will do and whether or not I will join the "Federation for Democracy in China," we will make a decision when we have greater understanding of the organization.

Question: The fallen heroes expect you to complete their unfinished task of promoting democracy in China, and you are eager to improve yourselves by learning more. Will you attend school like other students, or will you educate yourselves while participating in the democratic movement?

Chai Ling: After arriving overseas, we feel that the responsibility on our shoulders is very heavy. As Chinese, we feel we should contribute to the great cause of promoting democracy in our motherland and accomplish the unfinished task of the fallen heroes with whom we fought together. However, we hope our life in the West can be an independent, self-disciplined one. This independent way may be the way of our study. But we will continue to contribute to China's pro-democracy movement on the basis of independence.

Question: You and your husband have now escaped from the mouth of the tiger together. How have these extraordinary months enhanced your relationship?

Chai Ling: The feelings can hardly be expressed in a few words. We feel we are very fortunate that, following the great upheaval, we still can take an active part in it and stay together. Moreover, I also feel that we have come to understand each other even better.

Question: How did you provide for yourselves when you were on the run? Did you have a very hard time materially?

Chai Ling: When we were in China, we had to rely on our countrymen for support most of the time. They did their best in providing us with what we needed. Sometimes our life was pretty good, but other times it was indeed very hard.

Question: Did anything very exciting happen when you were on the run? Is there anything you can tell us?

Feng Congde: I hid in a remote mountainous area for nearly three months. All I had was some watery porridge for food. At that time Chai Ling was not with me.

Question: This is to say that you were separated for some time?

Chai Ling: We had a very long separation, and the reason for our separation was very traumatic. It is too sad to talk about now. I will talk about it later.

Question: Is it really that sad to talk about it? Try!

Feng Congde: I tried to escape three times. In fact, I was already in their hands, but I managed to run away on all three occasions. Later the person who sheltered us went to Chai Ling and told her that I had been captured. You can imagine how terrible she must have felt. For at least a week, she thought about how I was captured, tortured, and interrogated.

Chai Ling: It is really too sad to think about it now. One day a friend who accompanied my husband during the escape came to tell me that he was 99 percent sure that my husband was captured. Before we separated, he told me that should he be in danger, I must go on living and fighting for democracy. I felt very feeble upon hearing this, and I said: It is alright, we have done our best. As far as he was concerned, it was not necessarily bad. A few minutes later, I hid in the toilet and cried.

Afraid that the police might soon discover where I lived, our friends immediately tried to relocate me by motor vehicle. After the massacre, my husband and I fled together. I was now alone. I had no more tears to shed, and I was not sure my husband was alive. I thought: This once vigorous man is now suddenly gone, and I am not sure whether I can meet him in my life again, or when I can meet him again. I also thought that if I am sure he has been captured, I would surrender myself. When we fled from the massacre, our only hope was to go on living because our living would be the strongest protest to that ruthless regime. But if I was sure he was captured, I would surrender myself because I knew they would torture him and force him to tell where I was hiding, and he certainly would not tell. I simply could not bear to think about it.

Question: How is your life in Paris?

Feng Congde: Here we breathe the air of freedom for the first time.

Chai Ling: We have a special love for Paris. I love the atmosphere of Paris and its peaceful and quiet life. In a sense, Paris and Beijing have some indescribable similarities.

Feng Congde: We feel we have returned to Beijing.

Chai Ling: Because of my ill health, the doctor says that I can only have some liquids. He says I can drink some broth and the like later on. But whenever there is the opportunity, we would like to take a walk in Paris and enjoy the scenery and buy some groceries.

Feng Congde: The doctor says that cola will stop vomiting, so she drinks cola regularly.

Question: Can you say a few words to our countrymen in Taiwan?

Chai Ling: I can tell my countrymen in Taiwan one thing: When I was on the run, I regularly listened to the Broadcasting Corporation of China and the "Voice of

Free China." I learned a lot from them. Sometimes I would sit by the radio at eight. The program I enjoyed most was the program called "Happy Time." I could feel from the hosts' unassuming talk that countrymen in Taiwan are very amicable and have a great sense of humor. I like them very much.

About the people who Chai Ling and her husband think about most, Chai Ling said with a feeble but husky voice: "My family members, those who are in prison, and those who were injured during the 4 June incident whose whereabouts are still unknown. I do not know how the Chinese Communists are treating them." She also thinks a lot about the unknown fighters in the student movement. She said: Since they are not famous, they would not be acknowledged even if they succeeded in fleeing to the West; if they continue to run at home, then their livelihood would be a big problem because they do not have ID cards, jobs, or family contacts.

Feng Congde said that he hoped his family would learn from the media that he is now safe. He also believed that "Li Peng would tell the whole country that they had successfully escaped."

Although he did not say so, we could see that Feng Congde now has a deeper understanding of life after being a fugitive. In addition to being a very emotional personal experience, the experience has made him ponder about Chinese culture and the Chinese people as a whole. He said: "The Chinese people are not so ugly." As a fugitive, he was able to experience the traditional simplicity, kind-heartedness, fortitude, and courage of the Chinese people. He is now convinced that there is hope in China.

Chai Ling and Feng Congde have yet to meet the wife of the French president, nor have they had any official contacts with the U.S. Government. Prior to the student movement, they both had taken part in the TOEFL [Test of English as a Foreign Language] and planned to study in the United States. Now, they might change their plans. Feng Congde said: Studying in the United States was what we wanted in the past, but now, because of the pro-democracy movement, we are after something new. They said they need some time to cool down before they can decide what they will do in the future. He said he hoped to learn more about Western culture; not necessarily the culture of English-speaking peoples, because democracy does not belong only to English-speaking countries.

LE FIGARO

PM2004092090 Paris LE FIGARO in French
17 Apr 90 p 3

[Interview with Chinese dissident Chai Ling by Jean-Claude Schmitt in Paris—date not given]

[Excerpts] The most famous of the Chinese dissidents in exile, 24-year-old Chai Ling, stated categorically that China, the last great bastion of communism, will not

escape the wind of freedom blowing throughout the world and bringing down totalitarian regimes one after the other.

In an interview granted to LE FIGARO just a few days after she succeeded in fleeing China after months on the run, the woman who heads the list of "criminals" sought by police throughout China finally spoke freely.

In a secret location in Paris, Chai Ling recounted the tragedy which her country has experienced since the Tiananmen Square massacre on 4 June last year. China, she said, is sitting on a volcano which will soon erupt because the population's desire for freedom is so strong. [passage omitted]

"China now faces two realities. On the one hand, the government is continuing its repression. It is taking away all freedom. Second, the people are resisting by all available means. When possible, they refuse to obey orders from the authorities and exercise their right to speak. In accordance with its tradition, after launching the repression, the CPC is now demanding that students, young people, and intellectuals take part in self-criticism meetings and write texts in which they reveal their mistakes. But, on the basis of long experience, it does not cost the people much to bow to this constraint." [passage omitted]

The young woman, a student in psychology when in Beijing, was tougher when asked about the normalization of relations between the West and China today. And she cited the United States as an example. "The visits by U.S. President George Bush's envoys wounded the Chinese people. In addition, they served the government. It benefited greatly from them and exploited those visits to show the people that the situation had now returned to normal. [passage omitted]

Opposition to 'Goddess of Democracy' Viewed

OW1904113590 Beijing XINHUA in English
1120 GMT 19 Apr 90

[Text] Beijing, April 19 (XINHUA)—China firmly opposes any state, region, organization or individual providing support and facilities to the ship "Goddess of Democracy", whose activities are aimed at subverting the Chinese Government, a Chinese Foreign Ministry spokeswoman said today.

The "Goddess of Democracy" is one of the instruments of the reactionary organization "Front for Democracy in China," whose activities aim to subvert the Chinese Government, spokeswoman Li Jinhua said at a news briefing here this afternoon.

"We believe that countries friendly towards China will not support the activities of the ship," she said in response to a question.

Any support to the reactionary organization's subversive broadcast to China's mainland from the country's coastal waters or high seas violates the norms governing

international relations and relevant stipulations in the international law, the spokeswoman said.

"It is something we cannot tolerate," she said.

Ren Jianxin Meets International Court Justice

OW1804151490 Beijing XINHUA in English
1337 GMT 18 Apr 90

[Text] Beijing, April 18 (XINHUA)—Ren Jianxin, president of China's Supreme People's Court, met with and gave a dinner to Jose Maria Ruda, president of the International Court of Justice (ICJ), and his wife here this evening.

Ren extended a warm welcome to Ruda, who is here to attend the 14th Beijing conference on the law of the world, which is due to open next week.

Ruda said that over the past years, the ICJ have had very good cooperation with China.

He said that before 1973, the ICJ had been largely influenced by the Europeans. Now, however, the ICJ has become more internationalized. Different voices from different parts of the world can be heard on the ICJ.

Ren said he is glad to hear this, saying that it is a gratifying sign that the ICJ now accepts and hears more cases and of broader nature. This indicates that the ICJ is gaining increasing trust from more and more countries, he said. He expressed the hope that the ICJ will play greater role in preserving world peace and development.

Ruda arrived in China last Saturday.

Guangdong Capital Holds Spring Export Fair

Opens 15 Apr

OW1504180790 Beijing XINHUA in English
1156 GMT 15 Apr 90

[Text] Guangzhou, April 15 (XINHUA)—The 1990 spring Chinese export commodities fair, the 67th since 1957, opened here in this capital of Guangdong Province today.

Some 5,100 businessmen from 52 countries and regions have arrived for the 15-day event, which provides more new products and high quality items than previous fairs.

Nineteen Chinese trading groups are displaying brand, quality and new products at the fair.

One attraction is multi-functional video-telephone system, English-Chinese translators and No. 3 "Long March" rocket model.

Export Boost Expected

HK1904032190 Beijing CHINA DAILY in English
19 Apr 90 p 2

[By staff reporters Li Zhuoyan and Ren Kan]

[Text] Guangzhou—The 150 Sino-foreign joint ventures attending the Guangzhou Export Commodities Fair are fortunate not only because they have been selected from 350 applicants but also because they have a great opportunity to expand exports.

By the end of February this year, the country had approved 22,488 foreign-funded projects, which means only one in 80 of the ventures has a ticket to the present fair.

The transaction value for each enterprise at the fair had to be at least \$300,000, Qin said.

"If an enterprise cannot meet the target for two fairs in succession," Qin said, "we'll have to say sorry if it still wants to come next time."

Although generally small in size, Sino-foreign joint ventures at the fair have signed contracts with a total value of \$8 million during the first two days.

Qin predicted the total transaction value would reach \$100 million, compared with \$80 million at the fair last autumn.

Inner Mongolia Expands Foreign Investor Links

OW1804015790 Beijing XINHUA in English
0101 GMT 18 Apr 90

["Round Up: China's Inland Region Benefits From Open Policy"—XINHUA headline]

[Text] Hohhot, April 18 (XINHUA)—The Inner Mongolia Autonomous Region, historically isolated, has become a magnet for Chinese and foreign business people.

A regional official said more than 14,000 people from the Soviet Union, the People's Republic of Mongolia, Japan, South Korea, the Federal Republic of Germany, the United States and Singapore as well as Hong Kong have come for visits and business talks since 1988.

Inner Mongolia, which makes up a tenth of the country's area, is rich in natural resources. The region is endowed with numerous plant and animal species and has more than 100 verified minerals.

Construction of 11 trading outlets is well under way along the 4,280-kilometer Sino-Soviet and Sino-Mongolian borders. Inner Mongolia resumed border trade with the Soviet Union and Mongolia in 1988.

The region began to build ports and floating bridges on the Ergun River between Inner Mongolia and the Soviet Union last March.

The annual volume of imports and exports passing through Inner Mongolia's ports and outlets is now six million tons.

Manzhouli in the northern part of the region and Erenhot in the central part of the region are bridges linking Inner Mongolia with Europe and other parts of Asia. The cities make full use of the Beijing-Moscow railway to ship goods from the interior to Mongolia, the Soviet Union and European countries and act as funnels for goods coming the other way.

The official said the regional government offers preferential policies to boost trade with foreign business people.

Foreign-funded enterprises may import materials and export goods on their own. Income from labor service abroad can be compensated with goods and materials, and the region offers land for foreign investment.

According to the official, Inner Mongolia has already designated 250,000 square kilometers in the Hulun Buir League in the north and Wuhai City in the south as pilot zones for foreign investment.

The official said the Soviet Union and the People's Republic of Mongolia have taken the lead in trading with Inner Mongolia. They exchange timber, cement, steel products and chemical fertilizer for light industrial goods, textiles and food from Inner Mongolia. The trade volume totalled more than 500 million Swiss francs in the first quarter of this year.

Inner Mongolia has concluded contracts on 50 economic and technical cooperation projects with the Soviet Union, and has sent 3,800 people to that country to engage in logging, construction, growing vegetables and running joint venture enterprises on contract.

While boosting foreign trade, the region has also expanded cooperation with other parts of the country, according to the official.

So far, 26 provinces and municipalities have set up agencies in the region. Some have set up export-oriented plants and some organize commodity sales exhibitions and fairs at the trading ports with the help of Inner Mongolia.

The official noted that Inner Mongolia plans to further improve investment conditions for Chinese and foreign business people.

Iraq To Compete in Asian Games

OW1904215590 Beijing XINHUA in English
0047 GMT 19 Apr 90

[Text] Baghdad, April 18 (XINHUA)—Odaye Saddam Hussein, president of the Iraqi National Olympic Committee, said Iraq will send about 150 athletes to the 11th Asian Games to be held in Beijing from September 22 to October 7 this year.

He made the remarks when he met here today with Wu Shaozhu, visiting Chinese minister in charge of the State Commission of Physical Culture and Sports.

It was reported that Iraq will take part in 12 events at the Beijing games.

The president said Iraq will attach serious importance to soccer event, and he invited the Chinese soccer team to come to Iraq for a friendly match before this September.

Wu Shaozhu, who is also executive chairman of the Beijing Asiad Organizing Committee, wished Iraq good results at the coming Asian games.

Both sides also exchanged views on the sports cooperation and the roles they should play in improving the sports standard in Asia.

The Chinese sports minister and his party arrived here on April 17 and will leave here on April 20 for Bahrain.

U.S.-French Summit Talks on NATO Viewed

HK1904075390 Hong Kong TA KUNG PAO in Chinese
19 Apr 90 p 2

["Political talk" by Shih Chun-yu (2457 0689 3768): "Today U.S. and French Heads of State Will Discuss NATO's Future"]

[Text] Because the two Germanys will sooner or later be reunified, drastic changes have taken place in the Soviet Union and Eastern Europe, and the United States and the Soviet Union will hold summit talks on nuclear disarmament in May, NATO, the military alliance formed by Western countries many years ago, will face major changes. In particular, NATO's "imaginary enemies"—the Warsaw Treaty countries—have actually "disintegrated." Moreover, how to reorganize the Western security system in Europe has become a major topic for European countries to discuss.

The U.S.-French summit talks between Bush and Mitterrand scheduled for today (19 April) will focus on NATO's future and the question of whether there is a need to form a new security system in Europe.

The two Germanys will remain in NATO after reunification. At first the Soviet Union was opposed to this, but Gorbachev has relaxed his attitude and no longer holds to his original stand. What about France? France maintains that it will follow an independent principle and that there is a need to form a new security system in Europe. France demands that it play a major role in this respect, namely, that NATO should be transformed into a new European-Atlantic defense organization with French nuclear arms as its center and allying with Germany.

In other words, France is trying to force the United States to withdraw from Europe, by taking advantage of the political changes in the Soviet Union and Eastern Europe, for the purpose of forming a new security system with France and Germany at the core. Former French

President D'Estaing openly proposed that France and Germany should jointly build a new defense system with the French "nuclear umbrella" providing protection for a reunified Germany. The United States, of course, expressed its disagreement with this. The current U.S.-French summit talks will focus on NATO's future role. The United States objects to France replacing the United States in NATO, so their difference on the question of NATO is prominent.

But West German Chancellor Kohl expressed his agreement with the proposal that France and Germany form a new security system in Europe. During a recent television broadcast he put it very explicitly: "There is no problem for a reunified Germany to accept the protection of the French nuclear umbrella." French President Mitterrand also said: "In the near future a proposal will be made on building a new defense system in Europe, which includes Germany."

This reminds us of a proposal on setting up a "European joint defense system" with West German participation proposed by the United States in the 1950's and resolutely opposed by France. But now France demands the formation of a new European defense body with German participation, mainly because France understands that U.S. troops in Europe will be reduced following the present changes on the continent. Therefore France wants to change its status of withdrawal from NATO since 1966, so as to cope with the new situation in Europe.

During the British-French foreign ministerial talks last month, British Foreign Secretary Douglas Hurd told his counterpart: "For European stability, we hope France will return to NATO." Decided by De Gaulle, who held power in France at that time, France withdrew from NATO to develop its own nuclear arms. Today it is of practical significance for France to substitute its nuclear power for that of the United States and to use it to prevent the expansion of German military forces. Some European countries, including Britain and France, are worried about the emergence of a reunified Germany. But France does not object to the reunification of Germany but has instead proposed putting a reunified Germany under a French "nuclear umbrella," asserting that this is beneficial to European stability. Therefore France stands for "changing NATO into a new European-Atlantic defense organization." Naturally, the United States will not take this lying down. The U.S.-French summit talks on European situation and NATO's future position suggest a change in Europe.

Roundup Views German Reunification Debate

OW1904115790 Beijing XINHUA in English
0756 GMT 19 Apr 90

["Roundup: Search for Balance in Debate Over German Reunification (by Li Zhongfa)"]—XINHUA headline]

[Text] Beijing, April 19 (XINHUA)—Whether a reunified Germany should remain within the North Atlantic

Treaty Organization (NATO) or become a neutral nation has been a major concern both in West and East since the German reunification process started.

The debate has been deepened in recent months as a series of high-level diplomatic activities unfold, such as the Washington talks between the German and Soviet foreign ministers, the British foreign minister's trip to Moscow, the Bermuda meeting between U.S. President George Bush and British Premier Margaret Thatcher, and the Polish president's visit to Moscow.

The contentious issues over the situation mainly stem from the fears of East and West: The status of a unified Germany composed of the present Federal Germany, a member of NATO, and Democratic Germany, a member of the Warsaw Pact, has great impact on Europe as well as East-West relations.

Ever since German reunification has appeared on the international agenda, both East and West have been juggling for a settlement of the situation in favor of their own interests.

Moscow advocates that a unified Germany must be militarily neutral, but the West opposes the options of neutrality and demilitarization. It insists that a reunified Germany should stay within NATO.

In order to break the deadlock, both sides have put forward concessions while sticking to their original stands. Soviet Foreign Minister Eduard Shevardnadze said at his April 2 meeting with his British counterpart Douglas Hurd that European nations should establish a new collective security system which can be joined by Germany as an equal member.

The Soviet-Polish treaty signed on April 13 by Soviet President Mikhail Gorbachev and Polish President Wojciech Jaruzelski also stressed that the two countries would see to it that the two military organizations become a collective European security system.

In an article for the magazine "NATO 16," Shevardnadze suggested that a unified Germany be a member of both NATO and the Warsaw Pact.

There has to be a compromise, the foreign minister said, as Moscow is against Germany's affiliation with NATO after its reunification and the West refuses to see a nonallied and non-military Germany.

Shevardnadze believed that by being a member of both blocs, the position of Germany could be solved.

It may sound rather ridiculous, he said, but it is a practical way to prevent Europe from splitting up. But the Soviet proposal has met with reaction from the West. While accusing Moscow of presenting just a new version of its neutralization proposition, the White House spokesman, Marlin Fitzwater, said on April 1 that the United States still maintains that a unified Germany should be a NATO member. Meanwhile, a NATO

spokesman openly announced that the allied countries will not allow a unified Germany to join the two military blocs at the same time.

In his talks with British Premier Thatcher in Bermuda on April 13, Bush stressed that Germany, after its reunification, should not only stay in NATO but also join NATO's military organs. But despite this, there are signs of a softened stance signaled by Washington. The "NEW YORK TIMES" reported on April 12 that Washington was looking for solutions that could more easily be accepted by Moscow. These solutions include turning NATO into an alliance with more political than military characteristics, allowing a single-sided Soviet military presence in the area now under the control of the Democratic Germany during the transitional period, and assuring Moscow of military deployment in Germany after its reunification.

It should be noted that a subtle change has occurred in East Germany's position. The new democratic government headed by Ludwig de Maiziere has agreed that a unified Germany should stay in NATO during the transitional period. It is different from the stance of the Modrow government that the unified Germany must maintain neutrality.

The new position of Democratic Germany, a spokesman for the Soviet Foreign Ministry said on April 13, is "unacceptable." But he said that East and West should find a compromise on this issue.

It is believed in the West that the Soviet position on the issue would leave Moscow on the minority side at the future negotiation table.

The debates between the East and West on the status of a unified Germany reflect the concerns of both sides over the reunification and their different interests in maintaining European security. In a move to seek a solution to the issue, the Federal German Government has suggested holding a two-plus-four foreign ministers meeting later this month.

Cooperation Symposium Opens in Shandong

SK1904140690 Jinan Shandong Provincial Service in Mandarin 2200 GMT 17 Mar 90

[Text] A symposium on cooperation between China and international folk organizations opened in Jinan on 17 April.

In his welcome address, Song Fatang, vice governor of Shandong Province, said: Our government reiterated on several occasions that the policy of opening the country to the outside world will not be changed no matter what changes have taken place in the world. Shandong Province will unswervingly implement the policies of reform and opening the province to the outside world. All foreign countries, regions, and mass organizations are sincerely welcomed to conduct economic and technological cooperation and cultural exchanges with Shandong.

Song Fatang said: In line with its geographic position and economic development situation, Shandong Province has carried out the strategy of opening the eastern areas to the outside world, developing the western areas, and cooperatively developing both eastern and western areas. The seven cities and the counties and districts under these cities' jurisdiction in the eastern coastal areas were designated by the state as a coastal economic open zone. The inland areas in the western part of the province, the Yimeng mountainous areas, and the areas along Huang He should concentratively be developed and constructed to gradually change the situation in which the province's regional economic development is uneven and to ceaselessly improve the poverty-stricken areas' production and living conditions. Over the past few years, eight folk organizations from the Federal Republic of Germany, the United States, Australia, Denmark, the Netherlands, and Hong Kong successively gave free economic aid to three poverty-stricken counties in the Yimeng mountainous areas. These three counties have made noticeable achievements with the aid. The projects for improving the basic daily necessities of the people in poverty-stricken areas, jointly developed by the representatives' office stationed in China under the Development and Planning Office of the United Nations and the Women's Development Fund under the United Nations, are in full swing.

Vice Governor Song Fatang hoped that this symposium would become a meeting to deepen understanding, enhance friendship, and continue the development of cooperation.

(Wulanmulun), assistant to the Ministry of Foreign Economic Relations and Trade; Mr. (Morui), a representative dispatched to China by the Development and Planning Office of the United Nations; and Ms. (Kong Side), president of the (Kong Side) Fund of the United States, respectively made speeches at the opening ceremony. Representatives of 23 international folk organizations attended the symposium.

Delegate Attends Australia Tobacco Conference

OW1904225290 Beijing XINHUA in English
1440 GMT 19 Apr 90

[Text] Canberra, April 2 (XINHUA)—Carmen Lawrence, premier of Western Australian State, today opened the Seventh World Conference on Tobacco and Health in Perth, capital of the state.

The four-day conference is being attended by 1000 delegates from more than 70 countries, including China, Britain, Japan, Malaysia, Nepal, Thailand, the United States, etc.

The main theme of the conference is "The Global War" against smoking.

Lawrence said at the conference the number of adult smokers had dropped to less than a quarter of the adult population for the first time in Western Australia.

She said preliminary figures from the Health Department's latest survey showed the percentage of adult smokers had dropped from 31 percent before the state government's "quit campaign" began in 1984 to 24 percent last month.

Smoking prevalence amongst men had fallen from 35 percent to 28 percent and amongst women from 31 percent to 20 percent.

Lawrence said that much of the success in reducing the prevalence of smoking in this state could be credited to the "Quit Campaign" which had led Australia in helping change smoking habits and public attitudes to smoking.

Lawrence called for extra effort in the developing countries, where smoking was on the increase.

The world conference on tobacco and health is held every three years. The previous conference was held in Tokyo in 1987.

United States & Canada

Spokeswoman on Hopes for Normalizing Relations

HK2004034190 Hong Kong TA KUNG PAO in Chinese
20 Apr 90 p 2

["Special Dispatch" by a TA KUNG PAO reporter: "A Ministry of Foreign Affairs Spokeswoman Speaks, Hopes That Sino-U.S. Relations Will Return to Normal"]

[Text] Beijing, 19 Apr (TA KUNG PAO)—A Ministry of Foreign Affairs spokeswoman reiterated today: China hopes to develop friendly relations with the United States.

At this afternoon's news briefing, some reporters asked what reactions China would have to the Bush administration's prohibition of two Chinese persons from going to the United States to attend an international conference on environmental matters this week. Li Jinhua, a Ministry of Foreign Affairs spokeswoman, replied: We hold that if good relations between China and the United States are maintained and developed, they will not only tally with the basic interests of the peoples of both countries but also be beneficial to the Asia-Pacific Region and world peace.

Li Jinhua said: We are willing to develop Sino-U.S. relations along the normal path and we also approve of the statement that President Bush has already made that he is willing to restore Sino-U.S. relations to the normal path.

Another reporter asked whether or not Li Peng would discuss the matter concerning the international communist movement while visiting the Soviet Union. Li Jinhua declared: Li Peng's visit to the Soviet Union this time is mainly to discuss the development of bilateral relations, and he will also surely touch upon some matters that are of interest to both sides.

Soviet Union

Li Peng's Moscow Agenda to Include Trade Ties

HK2004021690 Beijing CHINA DAILY in English
20 Apr 90 p 2

[By staff reporter Qu Yingpu]

[Text] When Chinese Premier Li Peng shakes hand with the Soviet leaders in Moscow next week a new chapter of Sino-Soviet economic relations is expected.

One of the several important bilateral agreements to be signed during Li's four-day visit to the Soviet Union starting from Monday will guide economic ties between the two countries through the last decade of the century.

CHINA DAILY has learned that the two sides will try to end their almost 40-year-old government barter trade agreement and replace it with trade in hard currency.

"The change will be in line with the need of economic reforms in both countries," a senior foreign trade official with the Ministry of Foreign Economic Relations and Trade told CHINA DAILY.

Although the Chinese customs authorities reported a slight decrease in bilateral trade volume during the first quarter of this year, the official, who is in charge of Sino-Soviet trade, said, "Economic co-operation between the two countries looks good both this year and in the years ahead."

The customs figures show that Sino-Soviet trade totalled \$666 million during the first three months of this year. Of the figure, China's exports to the Soviet Union were \$256 million, 1.69 per cent less than during the same period last year, and its imports amounted \$410 million, down by 10.59 per cent. Bilateral trade was more than \$3 billion last year.

The major reason for the drop is that Soviet exports to China were affected by Moscow's decision to license its exports, the official explained.

China mainly sells light industrial products, textiles, minerals, soya beans, rice and food to the Soviet while China buys Soviet wood, steel, aluminium, copper, machinery and airplanes.

Because the economies of the two countries are compatible, there is great potential for further economic exchanges, the official said.

Foreign trade ministers of the two nations met for the first time in 30 years and signed the government barter trade protocol for fiscal year 1990 last month.

Though he declined to give details, the official said the contracted trade value was the highest in history.

The official said border trade and exchanges by local trading companies have been growing rapidly during the

past few years. Last year, the two sectors accounted for about one-third of total bilateral trade volume.

During a meeting in Moscow last month, trade officials from both sides agreed to strengthen the management of trade in the two sectors to improve the accomplishment of contracts by local companies.

It was also decided that local trading companies should do their business through banks.

"These moves will play an important role in promoting trade in the two sectors," the official said.

CHINA DAILY also learned that a major foreign trade fair will be held between June 6 and 15 in Harbin, capital of Heilongjiang Province bordering the Soviet Union. Many business people from the Soviet Union and East European countries are expected to attend.

Article Previews Li Peng's Moscow Visit

HK2004042290 Hong Kong WEN WEI PO in Chinese
20 Apr 90 p 1

[Dispatch by WEN WEI PO reporter: "The Aim of Li Peng's Visit to the Soviet Union Is To Discuss the Development of Bilateral Relations"]

[Text] Beijing, 19 Apr (WEN WEI PO)—Li Jinhua, a spokeswoman of the Ministry of Foreign Affairs of China, declared today: Li Peng, premier of the State Council, is visiting the Soviet Union this time to mainly discuss matters concerning the development of bilateral relations. She went on to say: Of course, both sides will also touch upon the important matters in which both side feel interested. Regarding reporters' questions on the views of the Chinese Government on Soviet reform, Li Jinhua said: We hope that success in Soviet reform can be achieved. As the national conditions of all countries differ, how to carry out reform should be explored and chosen by the peoples of all countries themselves.

XINHUA Roundup Views Trade Relations

OW1904150390 Beijing XINHUA in English
1448 GMT 19 Apr 90

["Roundup: Sino-Soviet Economic Cooperation and Trade Expanding"—XINHUA headline]

[Text] Beijing, April 19 (XINHUA)—The normalization of the relations between China and the Soviet Union has greatly promoted economic exchanges and trade between the two countries.

The volume of trade between the two countries in 1989 was more than 3 billion U.S. dollars, an increase of 20 percent over the previous year.

On the eve of Chinese Premier Li Peng's impending visit to the Soviet Union, Luan Chunping, an official of the Ministry of Foreign Economic Relations and Trade, told XINHUA that there will be a new increase in trade between the two countries this year.

Luan said the Soviet Union has become one of China's major trade partners, the fifth largest after the Hong Kong and Macao regions, Japan, the United States and the Federal Republic of Germany.

Sino-Soviet economic exchanges and trade are built on the basis of equality and mutual benefit.

About 50 percent of trade is in raw materials and primary products, and the rest is textiles and light industrial products.

During the period from 1981 to 1989, China imported from the Soviet Union more than 7.8 million tons of rolled steel and pig iron, more than 15 million cubic meters of logs and timber for paper making, more than 3.7 million tons of urea and more than 1.19 billion Swiss francs worth of nonferrous and precious metals.

During that period, China exported to the Soviet Union more than 600,000 tons of meat, 630,000 tons of fruits, 8,000 tons of filature silk, about 970 million Swiss francs worth of nonferrous metals and mineral products, and 3 billion Swiss francs worth of soybeans, corn and shelled peanuts.

China also imported 119,000 cars and motor vehicles and 57 airplanes from the Soviet Union and exported a great deal of textiles and light industrial products to it during the same period.

In recent years China's high quality products, such as machinery products, hand tools, car batteries, bearings and spare parts for automobiles and railway carriages, have entered Soviet markets.

The official pointed out that the growth of Sino-Soviet trade resulted from the joint efforts of the two sides in implementing a series of bilateral agreements.

The Chinese and Soviet governments signed agreements on economic and technical cooperation, scientific and technological cooperation and on the establishment of a Sino-Soviet Committee for Economic, Trade, Scientific and Technological Cooperation in 1984.

In the following year, the two governments signed a goods exchange and payment agreement for 1986 to 1990 and an agreement on economic and technological cooperation in building and upgrading industrial projects in China.

The signing of these agreements has laid a legal foundation for further developing the economic and trade relations between the two countries and ensured a stable growth of Sino-Soviet trade in a planned way.

In recent years, China and the Soviet Union have sponsored various economic and trade fairs in Moscow and Beijing to promote understanding and friendship between the Chinese and Soviet peoples and provide opportunities for economic cooperation between the two countries.

Along with the trade growth, freight transportation is booming. The annual volume of transported goods has reached more than 9 million tons. Ports on the Heilongjiang River have been opened by China at Tongjiang and Heihe and the Soviet Union at Nizhneye Leninskoye, and Blagoveshchensk.

Border trade and trade between provinces and cities in the interiors of the two countries has developed. In 1983, the border trade volume was only about 22 million Swiss francs while in 1988, it reached more than 800 million Swiss francs.

In addition, several other provinces and cities such as Liaoning and Shandong Provinces as well as Shanghai, Shenyang, Dalian and Chongqing Cities have set up economic relations with Soviet counterparts.

The volume of border and local trade between the two sides in 1989 was worth about 540 million U.S. dollars.

The Chinese Ministry of Commerce and the All-China Federation of Supply and Marketing Cooperatives have resumed consumer goods exchanges with their Soviet counterparts and the Ministry of Agriculture has engaged in cooperation in fishery and aquatic products with Soviet partners.

Sino-Soviet economic relations and trade are adopting diversified forms away from the original barter trade and the area of Sino-Soviet economic cooperation is expanding.

By the end of 1989, the two sides had signed 95 contracts for cooperative projects and labor services, and 14 agreements for joint ventures, with a total value of 240 million U.S. dollars.

The two countries have also signed two loan pacts—one for construction of railways linking their frontier areas and another for Chinese purchase of Soviet power equipment.

The official stressed that Premier Li Peng's forthcoming visit to the Soviet Union will certainly further expand the area of economic cooperation and trade between the two countries and make new contributions to the development of their economic cooperation and trade.

Northeast Asia

Liaoning Province Receives Delegations

DPRK

SK2004043790 Shenyang LIAONING RIBAO
in Chinese 17 Mar 90 p 1

[Text] The five-member friendship delegation from the North Pyongan Province of the DPRK, headed by Yom Chae-man, member of the Korean Workers Party Central Committee, deputy to the Supreme People's Assembly of the DPRK, and chairman of the Administrative and Economic Guidance Committee of North

Pyongan Province in the DPRK, arrived in Shenyang on 16 March by train for a friendly visit to Liaoning Province upon the invitation of the Liaoning Provincial Government.

When the distinguished Korean guests got off the train, Li Changchun, member of the CPC Central Committee, deputy secretary of the Liaoning Provincial Party Committee, and governor of Liaoning Province; Wu Disheng, deputy secretary of the Shenyang City CPC Committee and mayor of Shenyang City; and Cui Yukun, secretary general of the Liaoning Provincial Government, stepped forward to greet the Korean comrades and warmly shook hands with them. After some children presented fresh flowers to these guests, music was played accompanied by drum beats at the railway station, and hundreds of people and children lined up to warmly welcome the friendship delegation from the DPRK's North Pyongan Province.

After taking a short rest, these Korean comrades paid an official call on the Liaoning Provincial Government. Governor Li Changchun as well as Vice Governors Zhu Jiazhen and Chen Suzhi cordially met with all members of the delegation. Amid an atmosphere of fraternal solidarity, Li Changchun, on behalf of the Liaoning Provincial Government and all the people in the province, extended a warm welcome to these Korean comrades on their visit, and briefed them on the tremendous achievements scored by Liaoning Province in carrying out reform and opening to the outside world since the third plenary session of the 11th party Central Committee. Then, Comrade Yom Chae-man expressed satisfaction with the friendship and the friendly cooperation between the peoples of the two provinces, and spoke highly of the achievements scored by Liaoning Province in various fields. During the conversation, the host and guests pledged to further strengthen and develop the friendship and relations of friendly cooperation between the peoples of the two provinces.

During the reception, Cui Yukun, secretary general of the Liaoning Provincial Government, and Li Xishun, director of the Liaoning Provincial Foreign Affairs Office, were also on hand.

After the reception, Liaoning's Governor Li Changchun hosted a banquet in honor of Chairman Yom Chae-man and other Korean guests. Comrades Zhu Jiazhen, Chen Suzhi, Wu Disheng, Cui Yukun, and Zhang Rongmao were also invited to help entertain the guests of honor.

Yu Man-pok, consul general of the DPRK Shenyang Consulate also joined the reception and banquet.

Japanese

SK2004065590 Shenyang Liaoning Provincial Service
in Mandarin 2200 GMT 16 Apr 90

[Text] On the evening of 16 April in Shenyang, Provincial Governor Li Changchun cordially met with and

feted Japan's Kanagawa Prefectural economic goodwill delegation, headed by (Takato Kyobu), vice governor of Kanagawa Prefecture.

During the reception, Li Changchun, governor of Liaoning Province, and (Takato Kyobu), vice governor of Kanagawa Prefecture, happily reviewed the development process of the friendly exchanges between Liaoning Province and Kanagawa Prefecture; and exchanged opinions on establishing a permanent agency of the Kanagawa Prefectural Industrial and Trade Promotion Association in the Dalian Economic Development Zone and on further strengthening cooperative relations between Liaoning Province and Kanagawa Prefecture in various fields. The two sides also agreed to establish an association for promoting economic exchanges between Liaoning Province and Kanagawa Prefecture. At the signing ceremony, Zhu Jiazhen, vice governor of Liaoning Province, and (Takato Kyobu), vice governor of Kanagawa Prefecture, signed the agreement on economic exchanges on behalf of Liaoning Province and Kanagawa Prefecture.

Also attending the reception were Cui Yukun, secretary general of the provincial government, and responsible persons of the departments concerned. Michi Takahashi, consul general of the Japanese Consulate General in Shenyang, also attended the reception.

Southeast Asia & Pacific

Fijian Prime Minister Visit Continues

Meets Jiang Zemin

OW1904155990 Beijing XINHUA in English
1525 GMT 19 Apr 90

[Text] Beijing, April 19 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met here this evening with Fijian Prime Minister Ratu Sir Kamisese Mara, his wife and their party.

Jiang said he was very glad to meet Mara, adding that an old Chinese poem says: Nothing is as good as making new friends.

Mara has visited China four times, but this is the first time the two have met.

Jiang said that in handling international relations, China has always held to the principle that country-to-country relationships should be developed on the basis of independence and peaceful co-existence, and that all nations, big or small, should respect each other.

He said China is opposed to any big nation bullying small ones, and to any country imposing its political viewpoints and values on another and interfering in the internal affairs of other countries.

He said, "we all hope for a peaceful and stable international as well as domestic situation, so as to boost our own economy."

He said this is not only the desire of China, but also of all Third World countries.

Jiang also spoke highly of the positive role the South Pacific forum has played in promoting the economy in the region.

Briefing the Fijian guests on China's internal situation, Jiang said that Premier Li Peng announced yesterday the establishment of new development zones in Shanghai's Pudong area, which shows to the world that China will further its open policies.

Mara said he had seen for himself the speedy development in China's industry when he visited the cities of Shenzhen and Guangzhou, adding that the remarkable achievements in Chinese agriculture also left a deep impression on him when he visited Chengdu.

He said China is a nation with a huge population and it is not easy to supply so many people. He said Fiji feels it an honor to develop friendly cooperation with such a big nation as China.

Li Peng Hosts Banquet

OW1904143690 Beijing XINHUA in English
1336 GMT 19 Apr 90

[Text] [Received in progress] here this evening that both China and Fiji oppose power politics in the world and stand for equality among nations, big or small, strong or weak, rich or poor.

He made the remarks at a banquet he and his wife gave in honor of Fijian Prime Minister Ratu Sir Kamisese Mara, his wife and their party.

In handling state relations, Li Peng said, both China and Fiji uphold the principle of noninterference in the internal affairs of others, advocating that the affairs of each country should be decided by its own people. "While dedicated to developing their economies and improving their people's lives, the two countries are working actively for stability and development in this region.

"The past 15 years since the establishment of our diplomatic relations have witnessed significant development in our friendly relations and cooperation, the deepening of mutual understanding and friendship between our two peoples and growing trade, economic and technological cooperation."

The progress in Sino-Fijian bilateral relations, Li stressed, "testifies to the fact that differences in social system, ideology and cultural tradition between countries are not obstacles to the development of their friendly relations as long as they observe the five principles of peaceful coexistence."

Speaking of China's relations with other South Pacific countries, the Chinese premier said that as a member of the Asia-Pacific region, China will continue to contribute its share to the peace, stability, and prosperity of this region.

China, he added, will, as always, support the South Pacific countries in their efforts to safeguard national independence, preserve regional stability, and develop regional cooperation and the regional economy. "We are also supportive of their reasonable demand for the establishment of a South Pacific nuclear-free zone and their positive proposal for protecting and rationally exploiting fishery resources."

China, Li Peng noted, hopes to see further development in its friendly relations and cooperation with the South Pacific countries having diplomatic relations with China. Li Peng added, China is also ready to establish and develop equal and mutually beneficial relations of friendship and cooperation on the basis of the five principles of peaceful coexistence with other South Pacific countries which have yet to establish diplomatic ties with China.

In his speech, Prime Minister Mara said China, which is the most populous country on earth and is also one of the largest, and Fiji, which is a relatively small island state, are both developing countries which share many problems and the same basic hopes, aspirations, and objectives in nation - building.

He said the current visit is his fourth visit to China following his inaugural visit in 1978. "The rate of progress which I have noted on each successive visit has been very considerable."

"We in Fiji have great admiration for China and for your achievements. You have an ancient history and have managed to preserve much of your tradition and culture. At the same time you have demonstrated your clear ability as a nation to cope with change and make remarkable progress. In this regard your open door policy deserves much commendation," the Fijian prime minister said.

The banquet was held at the Great Hall of the People. Chinese Vice Premier Wu Xueqian also attended the banquet.

Cooperation Agreement Signed

OW1904134390 Beijing XINHUA in English
1133 GMT 19 Apr 90

[Text] Beijing, April 19 (XINHUA)—An agreement on economic and technical cooperation between the Chinese and Fijian Governments was signed here this evening.

Under the agreement, both China and Fiji will strengthen economic and technological cooperation, and join hands in some projects.

Chinese Premier Li Peng and Fijian Prime Minister Ratu Sir Kamisese Mara were present at the signing ceremony.

Zheng Tuobin, Chinese minister of foreign economic relations and trade, and Tomasi Vakatora, Fijian minister of housing and urban affairs, added their signatures to the agreement.

Shandong Governor Meets New Zealand City Mayor

SK1904134890 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 17 Apr 90

[Text] On 17 April in Yantai, Governor Zhao Zhihao met with (Kaisi Kelake), mayor of Tauranga City of New Zealand.

Tauranga and Yantai have established friendship ties.

Governor Zhao Zhihao and responsible persons of Yantai City and concerned provincial departments met with Mayor (Kelake) and his party at the Qufu Guest House of Yantai City at 0800 on 17 April. At the meeting, Governor Zhao Zhihao introduced to the guests Shandong Province's situation in economic development. He wished that Mayor (Kelake) would manage to find time to visit some other places in the province.

After hearing Governor Zhao Zhihao's introduction of the situation and his wishes, Mayor (Kelake) was very glad and said: This time, he visited some enterprises in Yantai and toured the city. The people in Shandong left him with a good impression. Next time, he certainly will visit some other places in Shandong to enhance understanding, cooperation, and friendship between the two countries.

Near East & South Asia

Economic Restructuring Delegation Leaves India

OW1804125990 Beijing XINHUA in English
1214 GMT 18 Apr 90

[Text] New Delhi, April 18 (XINHUA)—A Chinese delegation of the State Commission for Restructuring the Economic System left Bombay today after a 10-day visit to India.

The deputy chairman of Indian Planning Committee, R.K. Hegad, received the delegation led by He Guanhui, vice chairman of the State Commission for Restructuring the Economic System of China. He briefed the delegation about the strategy of India's economic development in the Eighth Five-Year Plan (1990 - 95).

The delegation discussed with some members of the planning committee on the planning system, the relationship between the center and states, foreign trade policy and the management of state (public) enterprises.

They are deeply impressed by India's emphasis on the development of agriculture and enterprise management by law and market adjustment.

Both sides expressed the desire to have more exchanges which will contribute to the economic development of the two countries.

UAE Culture Minister Views Mideast Issues

OW1804003890 Beijing XINHUA in English
2345 GMT 17 Apr 90

[XINHUA headline: "UAE Declares Support for Iraq"—by Xu Chang]

[Text] Kuwait, April 17 (XINHUA)—The United Arab Emirates (UAE) stands by Iraq against the recent biased anti-Iraqi campaign and supports all moves by Baghdad to protect its people and maintain its national security and territorial integrity, UAE Information and Culture Minister Shaykh Ahmad Bin-Hamad said in a recent interview with XINHUA.

"To accuse Iraq of trying to develop nuclear and chemical weapons is a scheme intended to deprive Iraq of modern technology," the minister said, adding that such media campaigns against Iraq would only enhance tension in the Mideast region.

Iraqi President Saddam Husayn acknowledged early this month that his country has chemical weapons and will use them if Iraq is attacked. Some Western countries have also accused Iraq of trying to develop nuclear arms, which Baghdad denied.

Answering a question about the situation in the Gulf region, Shaykh Bin-Hamad warned that the situation there will remain grave so long as Iraq and Iran do not reach a comprehensive settlement to their conflict.

He said that the latest developments regarding the Iran-Iraq issue, including the declaration by both Iraq and Iran that they were ready to resume peace negotiations under the supervision of UN Secretary General Javier Perez de Cuellar, were positive signs.

Shaykh Bin-Hamad pointed out that his country supports efforts which are intended to implement UN Security Council Resolution 598 for reaching a comprehensive and lasting peace between the two Gulf countries.

Iran and Iraq halted their eight-year Gulf war in August 1988 under a UN-sponsored ceasefire. But peace talks held between the two sides since then have failed to achieve any substantial results.

Talking about the Middle East peace issue, the UAE minister said that failure to make any headway in the Middle East peace process is due to Israeli intransigence with direct U.S. support.

Had it not been for the U.S. support for Israel, Israeli attitude would have changed long ago, he said.

He said that U.S. efforts for arranging a direct Palestinian-Israeli dialogue have so far achieved no result because the U.S., being absolutely prejudiced in favor of Israel, seems to be not serious about reaching a just solution to the Palestinian issue.

He also warned that the immigration of Soviet Jews to Israel will make things more complicated and may bring about negative effects on the Palestinian issue.

He said the UAE is not opposed to people's right to travel, but added that the Jewish immigration should not be at the expense of Palestinians who are expelled from their native land by force.

Some 300,000 Soviet Jews are expected to arrive in Israel during the next few years. Arab countries have expressed grave concern that many of the newcomers might be settled in the occupied territories, driving out more Palestinians living there.

Talking about the UAE's oil policy, Shaykh Bin-Hamad said the Emirates, a member state of the 13-nation Organization of the Petroleum Exporting Countries (OPEC), advocates maintaining the interests of both oil producers and consumers and calls for the adherence by all the OPEC member states to their respective production quotas.

Answering a question about the UAE's strategy of developing its economy, Shaykh Bin-Hamad said his oil-rich country is seeking to diversify the sources of its income by concentrating on economic sectors other than oil production.

On the possibilities of establishing a Gulf common market, Shaykh Bin-Hamad admitted that it is not easy to set up such a market, citing difficulties in unifying customs duties and regulations.

But he voiced optimism about the establishment of such a common market, pointing out that the six-nation Gulf Cooperation Council (GCC), of which the UAE is a member, has been making efforts for this purpose.

Sub-Saharan Africa

Central African President Continues Visit

Meets Li Peng in Shanghai

*OW1904140690 Shanghai City Service in Mandarin
2200 GMT 18 Apr 90*

[Text] Premier Li Peng of the State Council said that China maintains good relations with other nations and has established a new international economic order on the basis of the five principles of peaceful coexistence when he met the President of the Central African Republic, General Andre Kolingba, in Shanghai yesterday.

During the meeting, they had cordial and friendly talks. Premier Li Peng warmly welcomed President Kolingba

to China, including Shanghai. He also introduced the results achieved in China's economic construction and problems which have occurred. He stressed: The results achieved are the fruits of reform and opening to the outside world.

President Kolingba said that he was pleased with China's achievements and expressed satisfaction with his current China tour, adding that the friendly relations between the two countries will continue to grow along the road opened up.

Present at the meeting were Cui Naifu, leader of host team of our Government and minister of civil affairs, Zhu Rongji, mayor of Shanghai, and Zhao Huimin, Chinese ambassador to the Central African Republic.

Last evening, Mayor of Shanghai Zhu Rongji held a banquet at the White Magnolia Hall of the Xinjingjiang Restaurant to welcome the visit to Shanghai by General Andre Kolingba, the president of the Central African Republic, and his wife. Before dinner, Mayor Zhu Rongji cordially met the delegation led by President Kolingba. During the dinner, Mayor Zhu Rongji first made a toast. On behalf of the city government and 12-million Shanghai people, he expressed his warm welcome to the guests of honor from the Central African Republic. Mayor Zhu said: We would like to develop cooperation in all aspects and friendly exchanges of visits with the Central African Republic, learn from each other, and exchange each country's experiences in developing national economy and culture.

In his answering speech, President Kolingba said: Your city is full of vigor. Chinese people's talent has found its vivid expression in Shanghai. The city can play an active role in the course of friendly cooperation.

The delegation led by President Kolingba visited Jiading County's Malu village and the Dazhong Automobile Company yesterday morning. Madame Kolingba visited the Shanghai Embroidery Factory yesterday afternoon.

Jiangsu Governor Hosts Dinner

*OW1904180990 Beijing XINHUA in English
1558 GMT 19 Apr 90*

[Text] Wuxi, April 19 (XINHUA)—Jiangsu Provincial Governor Chen Huanyou hosted a dinner here this evening to welcome Central African President Andre Kolingba.

Kolingba and his party arrived here by train this morning from Shanghai accompanied by Cui Naifu, Chinese minister of civil affairs.

Wuxi is a city between Shanghai and Nanjing, known for its developed industry and picturesque scenery.

The Central African guests visited a kindergarten, township factories and some farmer's houses in the county.

Equatorial Guinea President Returns to Beijing*SK1904142490 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 17 Apr 90*

[Text] On the morning of 16 April, accompanied by Hu Ping, head of our government team for accompanying the guests and minister of commerce, and Zhao Zhihao, governor of Shandong Province, Equatorial Guinea President Obiang Nguema Mbasogo and his 22-member entourage arrived in Yantai from Qingdao by a special plane to continue their visits in our province. At a welcome party, Du Shicheng, mayor of Yantai City, extended his heartfelt greetings to the Republic of Equatorial Guinea's gigantic achievements in developing the national economy and improving the people's livelihood made over the past years under the leadership of President Obiang. He sincerely wished that Yantai would become a link to develop the traditional friendship between China and Equatorial Guinea.

In his answering speech, President Obiang expressed his heartfelt thanks to Shandong for its warm welcome and grand receptions. He wished that the friendship between the peoples of the two countries would continuously develop.

On the afternoon of 16 April, President Obiang and his party visited the fish wharf and fish processing workshops under the Yantai sea fishery company. After that, he zestfully ascended to the (Qiyun) Pavilion in Nanshan Park and looked down at the appearance of the city.

On the morning of 17 April, the distinguished guests from Equatorial Guinea visited some peasants' cultural and entertainment centers and two village-run enterprises in (Xiguan) Village of Muping County, that extricated itself from poverty ahead of others; and also held cordial dialogues with villagers.

During their visits, the distinguished guests spoke highly of China's social stability, economic prosperity, and people's happiness for living and working in peace and contentment; and maintained that China's current policies are completely accurate.

After satisfactorily winding up their visits in our province, President Obiang and his party returned to Beijing from Yantai by a special plane at 1400 on 17 April. Governor Zhao Zhihao and some other leaders saw them off at the airport, and also presented to President Obiang some selected photos taken during their visits in our province.

West Europe**Li Peng Meets With FRG Automobile Executive***OW1804153990 Beijing XINHUA in English
1400 GMT 18 Apr 90*

[Text] Shanghai, April 18 (XINHUA)—Chinese Premier Li Peng met here today with Carl H. Hahn, chairman of

the Volkswagen Automobile Company of the Federal Republic of Germany (FRG).

Hahn was here to celebrate the fifth anniversary of the founding of the Shanghai-FRG Volkswagen Automobile Co. Ltd.

Li said Hahn was among the earliest entrepreneurs from the Federal Republic to do business cooperatively with China, adding that he hoped the remarkable cooperation would be further promoted.

Li met Hahn five years ago when they attended a foundation stone laying ceremony here. The two old friends were happy to meet here again.

Li expressed appreciation for Hahn's contributions in promoting cooperation between China and the FRG in the automobile industry, saying "you not only set up a Volkswagen plant in Shanghai, but also carried out cooperation in Changchun."

Hahn said it is Volkswagen's consistent desire to continue strengthening ties with China and Volkswagen's major aim is to pave more components of the "Shanghai-Santana" car made in China.

Li said that the Chinese Government will, as always, back this mutually beneficial and equal cooperation.

Hahn said Volkswagen will do its best to support China's economic development, adding he was of the opinion that China has efficiently controlled inflation, which offers a reliable basis for long-term cooperation between the two sides.

Also present at the meeting were Chinese State Councillor Zou Jiahua, He Guangyuan, minister of machine-building and electronics industry, and Zhu Rongji, mayor of Shanghai.

Latin America & Caribbean**Tian Jiyun Meets Mexican Presidential Advisor***OW1804124790 Beijing XINHUA in English
1142 GMT 18 Apr 90*

[Text] Beijing, April 18 (XINHUA)—Chinese Vice Premier Tian Jiyun met with Lauro Ortega, advisor to the president of Mexico, and his party here this evening.

Ortega is here on a visit as guest of the Chinese Foreign Ministry.

Peru Awards Medals to NPC Officials

*OW1804151890 Beijing XINHUA in English
1332 GMT 18 Apr 90*

[Text] Beijing, April 18 (XINHUA)—Two Peruvian "Grand Cross Medals" were awarded here this afternoon to Wan Li, chairman of the Standing Committee of the Chinese People's National Congress [as received] (NPC) and Liao Hansheng, NPC's vice chairman.

The medals were presented to Wan and Liao by Alberto Franco Ballester, visiting chairman of the Foreign and Inter-Parliamentary Union Affairs Committee of the Chamber of Deputies of Peru.

At the awarding ceremony in the Great Hall of the People here, Franco said he, on behalf of the Chamber of Deputies of Peru, conferred the medals upon Wan and

Liao for their contributions to promoting the friendship between the two parliaments.

The medals and the visit by the delegation will serve as another link to strengthening Peru-China friendship, Franco said, adding that he hoped such friendship will further develop.

Wan said the award is not only an honor for two of them, but also an expression of the friendship the Peruvian Chamber of Deputies and the Peruvian people harbor for the NPC and the Chinese people.

Wan also expressed his satisfaction over the development of bilateral relationship of the two countries.

On schedule, Franco and his party will pay a visit to Xian, Guangzhou and Shanghai after his tour of Beijing.

Political & Social

Further on Li Peng at Beijing NPC Delegation

SK2004112090 Beijing BEIJING RIBAO in Chinese
24 Mar 90 pp 1, 4

["Sidelights" on Li Peng's participation in discussion of Beijing delegation at the National People's Congress: "Premier and Deputies Have Thought the Same"]

[Text] "As a member of Beijing's delegation, I have come here today to discuss certain matters with you. I hope that deputies here will express their views and speak out freely, and I will certainly listen to their opinions with respectful attentiveness. Of course, as a people's deputy, I will also express my opinions." At 0900 on 23 March, Premier Li Peng came to Beijing's Great Hall of the People on time to participate in the first discussion of Beijing's delegation. At this discussion, he first made these opening remarks.

To examine the Government Work Report in front of the premier, deputies tried to take the floor, filling the discussion with a frank and warm atmosphere. Premier Li Peng listened to the deputies' remarks carefully, while noting down the main points and occasionally chipping in and exchanging opinions with them. In the end, he made a 50-minute speech. His speech gave the deputies a strong feeling that the premier and the deputies share views on various "hot topics" concerning state politics, the economy, and social stability, with which the people are very concerned, and both the premier and the deputies are working hard to solve difficulties emerging in economic rectification and in-depth reform.

Patriotic Education Should Be Advocated Energetically Among the Youths

Deputy Dai Yi: According to the Government Work Report, this year, on the occasion of the 150th anniversary of the opium war, the state will educate students, revealing imperialism's aggression against China and the historical tradition of the Chinese people in anti-imperialism and the patriotic struggle with the purpose of heightening students' vigilance over imperialism's strategy of "peaceful evolution." This is very essential. The party and the government should further strengthen education on patriotism by making the best use of the current situation to gradually lead the youths into a still higher spiritual realm of socialism.

Li Peng: Because of the undue emphasis on economic work to the neglect of ideological and political work over the past few years, coupled with the influence from the greater international climate, some youths have had some confused ideas about socialism. Therefore, ideological education should be conducted among such youths with patience. The youths are sharp in thinking and are adept at accepting new things, and their cultural level is relatively high. However, they lack the ability to compare the new and the old societies, and have been

affected by some erroneous trends of ideology. Therefore, we should conduct the education on China's modern history among the youths. The prosperity of some Western countries has resulted partly from scientific and technological progress, but also partly from exploiting undeveloped countries. However, in China, a semi-colonial and semi-feudal country, it is impossible for us to build the country into a developed capitalist one.

Bourgeois revolution means replacing one system of exploitation with another, which has undergone many repeats, twists, and turns. Our revolution means replacing the system of exploitation with a new system that eliminates the system of exploitation, which will also experience many repeats, twists, and turns. We should love the youths, and we should pay attention to their valuable points, because we must depend on them to take over our cause in the future. Although they have some confused ideas, we should educate them with facts, and explain to them in explicit terms that only socialism can save China.

Economic Measures Should Be Carried Out

Li Peng: Under the structure of combining a planned economy with market regulation in a country as vast as China, many policies have been carried out in a delaying manner, and thus, we must wait for two or three years before we witness results from the implementation of policies. Whenever a decision is made, we must provide supporting regulations, measures, and stipulations for implementing it in order to carry it out in a specific manner. Here I want to suggest that the seven supporting economic measures be carried out as quickly as possible. Regarding the problem of repaying debts with the labor of surplus laborers in rural areas, which has just been suggested by a deputy, I think that we should truly initiate some projects, such as building water conservancy facilities, building highways, and developing beach areas, to draw a large number of laborers into rural areas.

To Stabilize the Economy, We Must First Stabilize Agriculture

Deputy Tao Dayong: Last year a bumper harvest was reaped in agriculture; however, there was also bad news. All professions and trades in the country should actually pay attention to agriculture, and more money should be invested in agriculture.

Li Peng: China is a big country with a peasant population of 800 million. Whether or not China can maintain stability depends on agriculture. Last year we obtained a signal; that is, if all professions and trades are concerned with agriculture, agriculture will certainly be boosted. There is great potential in China's agriculture. If we carry out intensive and meticulous farming on existing farmland and adopt scientific measures to do farming, our agriculture will progress in a stable manner. It will not do to develop agriculture too rapidly.

Family Planning Policies Should Be Imbued in the Midst of the Masses

Deputy Yan Renying: The family planning task is arduous. At present, the poorer a locality is, the more children are born there; and the more children a locality has, the poorer it becomes. This has given rise to a vicious cycle. I hope that the aid-the-poor work will be linked to the family planning work.

Deputy Hu Yamei: In rural areas, great efforts should be exerted in making the nine-year compulsory education universal, especially among female children.

Li Peng: Family planning work has not yet attracted sufficient attention from the entire party. The entire party should firmly grasp family planning work, just like it does in grain production and ideological and political work. As said by the previous two deputies, family planning is related to the quality and cultural level of the people. This is correct. However, there is an exception in this regard. For instance, Anhui Province's Jinzhai County has been very poor, but, thanks to its endeavor to aid the poor through science and technology and to carry out family planning programs over the past few years, the county's birth rate has been controlled to less than six per thousand for several years running. This shows that we should give play to our political superiority to specifically insert family planning policies into the midst of the masses in line with the characteristics of our country.

Making the Asian Games an Event To Enhance the Morale of the People Throughout the Country

Deputy Song Shixiong: It is of profound significance to hold the Asian Games in China's capital. We should let international friends see the achievements and mental state of Chinese people in carrying out reform and opening to the outside world.

Deputy Chen Xitong: Our principle remains: Friendship first, competition second, and winning as many gold medals as possible.

Li Peng: There are two roles in holding the Asian Games in Beijing. One is to enhance the morale of the people throughout the country and promote the building of a spiritual civilization. This means playing the role of enhancing the people's spirit. The other role is to strengthen the international sports flow and promote the development of our country's sports undertakings.

During the Asian Games, we will invite many foreign friends to participate in the event. When the games open, we may positively conduct people-to-people diplomatic activities and brief foreign friends on China's situation in order to further deepen the friendship of Chinese people with the peoples of Asia and even the whole world. I hope that this sports event will become a grand occasion characterized by friendship between the Chinese people and the peoples of Asia and even the whole world. I also hope that our athletes will win good scores.

The holding of the Asian Games will also promote the work of Beijing Municipality. We should set a higher demand on Beijing in public security, public health, city appearance, and the people's mental state. We should take advantage of this opportunity to further push forward the work of Beijing Municipality.

When the discussion was about to close, Zhao Pengfei, head of Beijing's delegation, who presided over the discussion, invited Premier Li Peng to make a speech. Li Peng said happily: Today, after hearing the remarks of Beijing's deputies, I am greatly inspired. Your support for the report means your support for the government work. Thank you very much.

Also taking the floor at the discussion were Deputies Ke Changtang, Chen Xiaoda, Luo Yifeng, Mei Zuyan, and Zhou Guanwu.

Li Peng Pays Surprise Visit to Shanghai Residents

HK2004133590 Beijing XINHUA Domestic Service in Chinese 1502 GMT 19 Apr 90

[Report by reporter Chen Maodi (7115 3029 1717): "Premier Li Peng Visits Resident's Homes One Evening"]

[Text] Beijing, 19 April (XINHUA)—At about 2000 on 17 April, it was very quiet along the No. 216 Lane on the Hongqiao Road, Shanghai and lights were shining only from windows of a few apartments. Suddenly there came a burst of timorous knocks to the door of a small house on the corner of the road. Hostess of the house asked: "Who are you?"

"We are comrades from the municipal government and we came to see you."

"Anything happened? We are going to bed. If you have anything to do, you can visit the neighborhood committee."

Not to disturb them, the knocker had to knock the door of another house.

The hostess of the house was just watching the television series "Shirenquan" with her child. Hearing someone knocking, her husband wondered what was going on. Without putting on a coat, he hastened to open the door. When he opened it, to his surprise, he found Premier Li Peng and Mayor Zhu Rongji standing before him.

At this moment he was at a loss what to do and then he shouted to his wife: "Premier Li and Mayor Zhu have come."

Housing is a prominent issue for Shanghai. During his inspection of Shanghai, Premier Li Peng told his entourage that he would visit some ordinary people in Shanghai, have a look at their housing conditions and have a chat with them.

After he attended the inauguration of a 300,000-tonne ethylene project on the morning of 16 April, he, accompanied by Mayor Zhu Rongji and China National Petrochemical Corporation General Manager Chen Jinhua, visited some homes of petrochemical workers. On the evening of 17 April, he said he would like to see some local residents but he urged again and again not to notify them beforehand and not to let the departments concerned know.

After 2000, Li Peng and Zhu Rongji drove a van along the Hongqiao Road. When passing the No. 216 Lane, Li Peng said: Let us get out here.

The host of the apartment he first visited is a worker working at the canteen of the Radioactive Medical Research Institute under the Shanghai Medical University and his wife is a worker of a guesthouse.

The coming of Premier Li Peng caught them off guard.

After taking a seat, the Premier asked:

"What is your surname? And what is your occupation?"

"I am surnamed Zhu and called Zhu Qinqin. I work at a medical university research institute."

Having heard it, Li Peng said with a smile to Zhu Rongji: "Your surname is Zhu and his too."

These few simple words removed the awkwardness of the host.

Then, Li Peng had a cordial chat with the host. He took a look around the room and asked:

"Whom does your apartment belong to? How many square meters of floor space does it cover? And how much do you pay for your rent?"

Zhu Qinqin said in reply: "The apartment is a public property. It covers a floor space of 18 square meters and the rent is quite low, costing merely a little over 4 yuan."

The premier asked again: "How is your life over the past few years?"

Zhu's wife Li Caiping said smilingly: "The standards of our living have improved considerably over the past few years."

Li Peng took a look at how the room was furnished and said: "It is really good. You have color television and a video tape recorder. Do you have a refrigerator?"

"There is one just behind you."

Li Peng asked: How much do you two earn a month? And how much can you save a month?" Zhu Qinqin answered the questions one by one. At this moment, Li Caiping found Mayor Zhu Rongji still standing there. She blamed her husband and said: "Be quick and fetch a bench for Mayor Zhu." When told that the apartment

was too old to be renovated, Mayor Zhu said with a smile: If you give me a little money I will build a house for you?"

For a moment, the couple did not understand what he meant. Seeing this, Zhu Rongji immediately explained and said: "You pay 30 percent and I pay 70 percent. But you may rest assured that your money will be paid back."

Li Peng said: "This is a way of fund-raising." Then, Premier Li went upstairs and visited another apartment, in which lived a couple called Xu Long and Wang Liping, and Xu Long's mother, a retired worker of housing management bureau, named Lu Huifang.

At that time, the mother-in-law and the daughter-in-law were just watching television. Having heard something happening downstairs, Lu Huifang went to the top of the back stairs and she was told: "Premier Li Peng has come." Upon hearing it, she returned home right away and told her son and daughter-in-law and said: "Premier Li Peng has come." Her son did not believe it at all and said: "Mom, do not tease us like that. How could the premier come here?" No sooner had he spoken than Premier Li Peng stepped into his home?

After sitting down, the premier and mayor immediately took the trouble to make detailed inquiries about them. They took their four-month-old baby and asked their entourage to take a photo.

Yao Meijuan, a female worker of the No. 3 Shanghai Wristwatch Factory, was busying herself about the house, which covers a floor space of merely 10 square meters. She never imagined that the premier could visit her.

Discovering that the room was so small, Premier Li asked with concern how many members of her family there were and how they sleep at night. Yao Meijuan replied: I have a family of five. My daughter and mother-in-law share a bed, my son has a small bed and my husband and I share a bed in the loft."

Her husband, called Zhang Guangen, a worker at the Shanghai Synthetic Detergent Factory, said: "We went to Anhui to support industrial production when we were 24 years old. We returned to Shanghai after 13 years. There was no larger floor space available for us, so we just make do with it. The room is too small and stuffed with too many things, that it is difficult for us to catch rats."

Hearing this, the premier was very upset. "Yao Meijuan said: We are satisfied with food and daily necessities, but housing is the real trouble for us."

Premier Li nodded approvingly and said: "The room is really too small, but the problem will be solved sooner or later. The people pay a little and the state pays a bit more. There is hope because your mayor is busy with the matter."

Zhu Rongji remarked: "As long as our premier is concerned about the matter, it is very hopeful."

The couple was deeply moved and said: "Ordinarily we can only see our premier and mayor on television. Thank you for coming to visit us today. We are really very happy."

The last family that Premier Li visited was a young couple called Zhang Ronggen and Zhou Lijuan, both working at the city's public transport company.

As the night advanced, Premier Li said good night to all of them. The grown-ups and children vied with each other to see off the premier. Premier Li said: "Do not go out, it is cold outside." They ignored this advice and insisted on going out to see the van on which the premier was aboard vanishing from sight.

'Text' of CPC Decision on Ties With Masses

OW2004083890 Beijing XINHUA in English
0747 GMT 20 Apr 90

["Text of CPC Central Committee Decision on Strengthening Ties With Masses"—XINHUA headline]

[Text] Beijing, April 20 (XINHUA)—Following is the full text of a decision of the Central Committee of the Communist Party of China (CPC):

Decision of the CPC Central Committee on Strengthening Ties With the Masses (adopted at the Sixth Plenary Session of the 13th Central Committee of the CPC on March 12, 1990)

I. The people are the source of strength and the guarantee of victory for our party. The rise or fall of the party and the state depends on whether flesh-and-blood ties with the masses can be maintained and developed.

The Chinese Communist Party is the vanguard of the working class armed with Marxism-Leninism and Mao Zedong Thought and serving the people wholeheartedly. The nature, aim, and guiding principle of our party determine that the party must take working for the people's interests as the starting point and destination of all its activities. In the course of protracted struggle the party created and developed a mass line—"all for the masses and all relying on the masses" and "from the masses and to the masses." This is the fundamental working principle for realizing the party's ideological, political, and organizational lines, and also the CPC's fine tradition and political asset.

Historical experience has proved time and again that our cause develops smoothly whenever the party's mass line is well implemented and the ties between the party and the masses are close; otherwise, our cause suffers setbacks. Our party is in a better position to serve the masses now that it is in power. The danger of alienation from the masses may spring up if the party, whose position has changed, does not use its power properly and consciously resist the corrosive influence of the

decaying ideologies of the bourgeoisie and other exploiting classes, at a time of carrying out reform, opening to the outside world, and developing a commodity economy.

Comrades in the party must always be vigilant against this danger, stand the test of being in power and reform and opening to the outside world, and strive to maintain and develop the party's close ties with the masses.

Our party and state are presently at a crucial period of historical development. We must carry out the party's fundamental line more effectively, push forward socialist modernization, deepen economic and political restructuring, open wider to the outside world, realize the strategic goal of doubling China's present gross national product by the end of this century, consolidate and perfect the socialist system, and foil the "peaceful transformation" activities by antiparty and antisocialist forces both at home and abroad. These are arduous tasks which the party can accomplish only by better supporting and leading the masses to play their role as masters of the country, exercise their rights to run state and social affairs, and bring their historical initiative into full play.

On the whole, the relations between the party and the masses and between the cadres and the masses have been good. But unhealthy tendencies such as bureaucracy, subjectivism, formalism, and individualism, and corruptive practices such as seeking personal gain through abuse of power, have emerged among some party cadres in recent years, and some have developed to a quite serious extent. We must resolutely rid all malpractices that cut us off from the masses, make great efforts to strengthen the building of the party's style of work, bring closer our party's relations with the masses, boost our party's cohesive force and fighting power, and unite all forces that can be united to work together. This is of great and far-reaching importance to fulfilling the historical tasks that the party shoulders.

II. If our party wants to forge close ties with the masses and lead them marching triumphantly forward, the paramount question is to ensure that decisionmaking and the implementation of decisions accord with the interests of the people.

Since the Third Plenary Session of the 11th Central Committee, our party has formulated and implemented a line for building socialism with Chinese characteristics and a series of important principles and policies. Our country's strength has greatly increased and people's life markedly improved. The broad masses of the people are satisfied on the whole.

However, there are shortcomings and errors in the guidance of practical work and in some specific policies and measures. On the basis of the positive and negative experience over the past years, the guarantee for correct decisionmaking and effective implementation lies in adhering to the practice of "from the masses and to the

masses," and establishing and perfecting a democratic and scientific process of decisionmaking and implementation.

1. In formulating policies and measures, drafting work plans and deciding on matters of great importance, we must be guided by Marxism, follow the mass line, make full investigation and study, extensively solicit opinions from various quarters, and make repeated comparison, distinguishing and appraisal. Some major decisions must be tested at selected places before going into force.

2. In the course of making decisions, party committees must strictly observe the principle of democratic centralism, give full play to democracy, listen attentively to different opinions and exercise correct centralism on the basis of democratic discussion. Major decisions should be voted through. Individuals having differing views can have reservations but must submit to and carry out the collective decision.

3. Once the decision is made, leading organs and cadres should take the lead in implementing it in the light of specific conditions. It is absolutely impermissible for different departments to adopt different policies on the same issue and do things in their own way. Important decisions concerning state affairs should be turned into the will of the state through legal procedures via the National People's Congress and the government. Party organizations and party members should do things strictly according to law. In implementing decisions, it is necessary to closely rely on the masses, be subject to test in practice from time to time, sum up experience promptly, make improvement and correct minor errors so as to prevent big mistakes. Should major problems arise, opinions for dealing with them should be put forward and reported to the higher authorities without delay.

It is necessary to pay attention to and strengthen the work of the decisionmaking research and advisory bodies so as to give full play to their advisory role.

III. Leading cadres at all levels must go deep down to the grass roots, work among the masses in a down-to-earth way, and implement the party's policies and guidelines in detail.

Correct knowledge only comes from the practice of the masses, and correct decisions can only be carried out when they are followed conscientiously by the masses. Currently, some leaders are content with giving orders from on high, put on airs when working and do not pay attention to practice; some take a perfunctory attitude to the party's decisions and do a superficial job; some practice fraud, and only report good news and listen to good news; some are dispirited, do not make an effort to know about the grass roots and the hardships of the masses. These unhealthy working styles show serious alienation from the masses, hamper the cause of the party and must be changed.

1. Leaders should persist in combining general and individual guidance, and in combining specific with overall situations. They should spend a certain period of time every year at grass-roots units, make investigations, and analyze typical cases there, in order to draw wisdom from the masses and facilitate overall work. They should take notice promptly of outstanding persons and typical cases, sum up the fresh experiences of the masses in modernization construction and reform, and teach, inspire, and give guidance to the masses.

2. Institutions above county level should, in line with local characteristics and practical demands, organize cadres to go to the grass roots in turn for various activities such as making investigations, solving outstanding problems, and engaging in practical work. This must be persisted in a planned and systematic way. And the period for leading cadres to stay at the grass roots should be designated by each region and department according to practical situations; they should be especially oriented to arduous, difficult, and complicated areas. In large and middle-sized enterprises, leading cadres should often go to workshops, work units, and workers' dormitories to make themselves familiar with practical situations, listen to the opinions of the masses in the frontline of production, and adopt rational suggestions they come up with.

3. When going to the grass roots cadres must strive for efficiency and shun formalism. They should mix with the masses, treat them as equals, be willing to learn from them and avoid putting on airs. They should get to know real situations in-depth, report the truth to the higher levels and eschew fraud. They should consult with local cadres and the masses when problems are met with, strive for substantial achievements and be concerned about the weal and woe of the people. They should publicize the party's policies and do ideological and political work. They should spend an appropriate amount of time in doing productive labor. They must not use public funds for banquets, refuse to accept presents, and avoid adding to the burden on the grass roots and the masses. Party organizations should educate cadres to abide by these stipulations, supervise them, praise the worthy ones, criticize the slackers, and punish serious offenders.

4. Leading cadres who keep themselves aloof from the masses, incur great losses at work, and evoke dissatisfaction from the masses should be removed from office and punished.

IV. The party committees at central and local levels should promote the building of socialist democracy and the legal system in the course of deepening the political restructuring, and make vigorous efforts to keep open and broaden the party's channels of ties with the masses.

1. The people's congress system is China's fundamental political system. The party should strengthen its work in the congress, and further bring into play the function of the people's congress as the organ of state power, also

strengthen the legislative and supervisory functions of the congress and its standing committee. The party organizations and party members in the congress should make their ties with noncommunist deputies and the masses closer, and frequently seek out their opinions and requirements.

2. Strengthen the building of the system of multiparty cooperation and political consultation under the leadership of the Communist Party, and further tighten the connection of the Communist Party with the noncommunist parties and people of all circles, insist on consultation with them on important issues, and guarantee the rights of noncommunist party members and personages without party affiliation to participate in and discuss political and state affairs, and in democratic supervision.

3. Bring into full play the function of the trade unions, communist youth leagues, women's federations, and other mass organizations as bridges between the party and the masses, and frequently listen to their opinions and suggestions.

4. Make efforts to open up and create new channels and new forms for making the party's ties with the masses closer, so as to have a more extensive, deep-going and immediate understanding of their opinions, demands, and criticism.

5. Encourage the masses to tell the truth. Correct opinions should be accepted and adopted. Those problems which can be solved should be solved immediately; earnest consideration should be given to diverse opinions. If an opinion can not be accepted an explanation should be given as to why. As for people who raise erroneous opinions, the party organizations should also give explanations and proper guidance. They should not turn a deaf ear to people's opinions or suppress them, cover up their own errors and perform their duties in a perfunctory manner and should definitely not retaliate against those who raise criticism.

6. Leading cadres should befriend workers, peasants, intellectuals and other people who dare to tell the truth. Through them the party can find out what the masses and cadres at grass-roots levels really think, and nip problems in the bud.

V. Firmly strengthening the construction of clean government, keeping up the spirit of plain living and hard struggle and wiping out corrupt phenomena—these are the strategic measures taken to improve the relationship between the Communist Party and the masses and to guarantee the victory of our cause.

Most of our party cadres are honest and industrious in performing their official duties. The party is at one with the masses on the anticorruption problem. We have done some work on anticorruption and have made some achievements. However, there are still many problems, some serious. With the implementation of the policy of reform and opening to the outside world and the development of the commodity economy, Communist Party

members should strive to be even more honest and steadfast in their work and resolutely combat corruption. If corruption rages unchecked it will mean the destruction of the party.

Efforts must be made to ensure success in the following aspects this year and next:

1. Continue to carry out the "Decision on Solving Some Problems in the Immediate Future That Most Afflict the People" made by the central party committee and the State Council, and the relevant regulations made by localities and departments. The requirements listed in the decision and regulations that have been met should be continued. Those that have not been met should be carried out earnestly. Those who violate the requirements must be punished severely.

2. Party committees at various levels should support discipline inspection units and supervisory departments in regular examination of party cadres and members with regard to whether or not they observe discipline and laws. They should strictly deal with those who, by abuse of their powers, engage in extortion, bribery, graft, embezzlement, or illegal distribution of public funds and properties, and those cadres working in the party and governmental departments who illegally build private houses. Economic and disciplinary punishments should be rendered based on the different situations. Those who break the law should be handed over to the judicial departments for punishment. All party members in discipline inspection, supervisory, public security, judicial and procuratorial departments should enforce the law and discipline impartially and strictly eschew nepotism.

3. The investigation and handling of major cases should be stepped up. The results of the handling of cases seriously arousing public concern should be made known to the public. No one should interfere in the investigation and handling of such cases.

4. The party organizations in the economic management, supervision, public facility and law enforcement departments should cooperate with administrative leadership to step up the construction of a clean government and education in professional ethics. The unhealthy professional tendencies should be resolutely overcome by uniting the efforts of leadership and the public. Unreasonable charges, apportionments, and fines should be wiped out. The administrative units and the public facility departments should be supported in their continued efforts to make their working regulations and achievements open to the public and step up the system of supervision by the public. At the same time, the interior checks and balances should also be strengthened to stop up the loopholes.

5. The promotion and appointment of cadres should be done strictly in line with the party's principles and the set procedures, and opinions from the masses should be solicited. Those who, in violation of the regulations of the party Central Committee, appoint people through favoritism or form cliques to pursue selfish interests or

unhealthy tendencies should be resolutely investigated and dealt with, and the responsibility of the leading cadres should be investigated. A management mechanism of exchanging leading cadres in different localities and avoiding leading cadres and their relatives to work in the same department or locality (to avoid nepotism and cliquism—tr.) [as received] should be set up and strictly implemented.

In stepping up the construction of clean government, leading cadres of the central and local levels should be strict with themselves, thus setting examples for their subordinates. Party committees in provinces, autonomous regions, and municipalities directly under the central government and the leading party groups of the ministries of the central government and of the institutions and the departments in the central party committee should make a truthful estimate and analysis of corruption in their party organizations based on full investigations, and outline the steps, methods, and measures to deal with this. The localities and departments should render to the central party committee special reports on the progress of the anticorruption drive by the end of this year. The party discipline inspection committees and the organization departments at various levels should cooperate with the supervisory departments of the government at various levels in the supervision and examination of the work.

VI. Supervision over leading organs and leading cadres at all levels must be strengthened. It is necessary to establish and improve systems to carry out internal party supervision, supervision from outside the party and supervision from the top to the grass roots and from the grass roots back to the top.

All party organizations and cadres at all levels should subject themselves to supervision. The higher their levels and the more important their positions, the more conscientious they should be in receiving supervision. No one is allowed to be free of supervision.

1. Suggesting that the Standing Committee of the National People's Congress draft laws for carrying out work supervision and legal supervision, and the State Council make regulations on administrative supervision. The party's Central Commission for Discipline Inspection, in consultation with the Organization Department of the party Central Committee, should draft regulations on internal party supervision.

2. Party organizations at all levels should pay great attention to petitions from the masses. They should make earnest efforts to study and analyze what they learn from the masses and handle cases correctly and in accordance with individual concrete conditions. Related organs, if necessary, should be told to make investigations, give evidence and deal with cases. In important cases which involve leading cadres, organs at corresponding levels must take the responsibility to deal with them within their authorization of cadre management

and in accordance with related regulations. It is not allowed to ignore them, shift responsibility or leave cases unsettled.

3. Leading cadres at the county level and above should participate in dual organization meetings of the party conscientiously. At democratic life meetings, leading cadres should uphold principles, practise criticism and self-criticism, and help and supervise each other in an earnest way. The system for assessing leading cadres should be persisted in and improved.

4. Bringing supervision by public opinion into full play. Party committees should support public opinion organs in exposing and criticising, in accordance with related regulations, actions against the party's line, principles and policies and the laws of the nation, and phenomenon encroaching on interests of the masses. The party newspapers should reflect the opinions and demands of the masses and give correct guidance to public opinion.

5. The party Central Committee and committees of the provinces, autonomous regions, and municipalities directly under the central government can send inspection work groups to localities and departments, and authorize the groups with necessary power to carry out supervision and examinations of problems, and make reports to the committees. Veteran comrades with rich experience and high prestige can be included in this work.

VII. The grass-roots organizations of the party and the party members should keep ties with the masses, do publicity work among them and get them organized, and bring into full play the role of the organizations as strongholds and the exemplary vanguard role of the party members.

The party's line, principles, and policies are implemented ultimately through work done among the masses by basic party organizations and their members. All the basic party organizations, and party members should take the lead in carrying out the party's line, principles, and policies and the nation's laws. In whatever they do they should explain the situation correctly to the masses so as to enable them understand the significance of the matter. They should explain what action to take and how it concerns their interests. In this way the masses will act as one. It is necessary to be concerned with the daily lives and progress of the masses and do good ideological and political work among them. Communist Party members should be the first to bear hardships and the last to enjoy comforts. They should take the lead in resolutely combating any encroachment on the interests of the masses. They should subject themselves conscientiously to the interests of the nation and the people if contradictions occur between the interests of individuals or small groups and those of the nation and the people as a whole.

Together with leading administrative members, party organizations in enterprises should seriously carry out the policy of relying on the working class wholeheartedly, respect the workers' status as masters, safeguard their

democratic rights, support the congresses of their representatives in exercising their legitimate functions and powers, bring into full play their role in participation in the decisionmaking and management of the enterprises and in supervising cadres, and give full play to the workers' role in developing production, and improving management and rational distribution.

Rural party organizations should be active in leading the masses to achieve prosperity through hard work and attain common prosperity. They should stick to and improve the contracted household responsibility system with remuneration linked to output, develop services, expand the collective economy, and build a new socialist countryside.

Party organizations in schools should rely on and unite with the faculty members and supporting staff in earnestly carrying out the party's policy on education, give moral education first priority, and work hard to train people who have lofty ideals and moral integrity, and are better educated and have a strong sense of discipline.

Grass-roots party organizations across the country should sum up and publicize their experiences in keeping ties with the masses and make constant improvement. At the same time, they should also create new experiences in line with the new conditions.

The party's grass-roots organizations have shouldered heavy tasks and the majority of them are equal to those tasks. The hard work of the grass-roots party organizations have been indispensable to the great achievements scored in construction and reform over the past decade. The leading bodies should gear themselves to the needs of the grass roots and wholeheartedly serve them.

Now some grass-roots party organizations in the countryside, factories, retail outlets, neighborhood communities and schools are in a weak or lax state and some have been paralysed or semiparalysed and they can not play their proper roles. Party organizations at superior levels should find out about the situation and the real reasons for this so as to adopt effective measures to help change the situation.

VIII. To conduct an extensive and in-depth re-education in the Marxist viewpoint on the masses and the party's mass line among the party members.

A basic Marxist viewpoint is its viewpoint on the masses. How to treat the masses is a fundamental question of stand for a communist, a question of world outlook and a question of the Communist Party spirit. It is necessary to help, through education, the party members, the leading cadres at various levels in particular, understand that the historical action is the action of the masses, and that living, creative socialism is the product of the masses themselves.

It is necessary to foster firmly the viewpoint that the people make history, the viewpoint of learning from the people and serving them heart and soul, the viewpoint

that the cadre's power is given by the people, the viewpoint that responsibility to the party and responsibility to the people is a unity, and the viewpoint that the party should rely on the masses and at the same time educate them and guide them on the road of progress.

Over the past few years some of these important viewpoints have become confused or have faded among some party cadres. To arm the whole party with these viewpoints and draw a clear line of demarcation between historical materialism and historical idealism are the ideological guarantees for implementing this decision and accomplishing the various tasks set by the party.

Party committees at all levels should integrate education in the Marxist viewpoint on the masses and the party's mass line with education in the "four cardinal principles" and the fight against bourgeois liberalization and list such education in the plan for the general education of party members, cadre training, and study of Marxist theories. The party schools and cadre schools at all levels should list it in their teaching plans as a major course. Leading cadres at and above the county level should, in the light of their own thinking and work, study selectively the relevant parts of Marxism-Leninism and Mao Zedong Thought, works of Deng Xiaoping and other comrades, the party Constitution and documents of the Central Committee of the Communist Party, including "some guiding principles for political life within the party."

It is essential to adhere to the style of study that calls for integrating theory with practice, and combine the current study with practice, so as to enhance party spirit and transform world outlook. Only the persistent work of making this study a success will ensure that the leadership at various levels are truly in the hands of those who are faithful to Marxism, serve the people wholeheartedly, and maintain close ties with the masses.

All the members of the Communist Party and party cadres should take the lead in learning from Lei Feng, do everything for the masses and be their servants.

The mass media should give more prominence to ordinary people, fully featuring the creative work, advanced thoughts and exemplary deeds of workers, peasants, intellectuals and officers and men of the Liberation Army. Leading cadres' activities of general sort and ordinary work meetings should not be reported.

IX. Communist Party committees at all levels should organize party members to study and carry out this decision with the spirit of rectification.

Every region and department should map out detailed principles and measures for implementing this decision on the basis of their own conditions, and carry them out seriously. The regions and departments should strive to achieve significant progress in promoting the relations between the party and the people in the next two years, and do solid work to solve those problems people are most concerned about while the conditions for their

solution exist. In summarizing work at the end of each year from now on, solutions should be provided for problems existing in the relations between the party and the people and the relations between officials and people. Criticism and self-criticism, and examination and appraisal of cadres should be carried out so as to constantly improve the style of leadership and the style of work. Our aim continues to be one of gradually creating a political situation in which we have both centralism and democracy, both discipline and freedom, and both unity of will and personal ease of mind and liveliness.

The Central Committee calls on all the members of the party, by inheriting and developing our party's fine tradition of maintaining close links with the people under the new historical conditions, rely on and unite with the people of all nationalities even more closely so as to push forward continuously the cause of building socialism with Chinese characteristics.

Li Tiesing Speaks at Meeting Discussing Census

Li Chairs Meeting

OW2004070290 Beijing XINHUA Domestic Service
in Chinese 0714 GMT 18 Apr 90

[Text] Beijing, 18 Apr (XINHUA)—The State Council Census Leading Group held its third meeting yesterday to discuss the preparations being made for the census. Li Tiesing, state councilor and head of the State Council Census Leading Group, chaired the meeting. The participants in the meeting heard a report on the preparations being made and discussed preparatory work to be done in the next two months.

The participants held: Since the national census conference, many provinces and prefectures, as well as many counties and townships, have held work meetings to make arrangements for the census. Although the preparatory work for the coming census started late, its progress in general is quick and smooth. There are now only approximately 70 days left to prepare for the fourth national census, but much arduous preparatory work still remains to be done. In the next two months and more, it is necessary to set up basic-level census organizations; to select and train 5 to 6 million census takers and census instructors; to consolidate household registrations and to screen and inspect them; to do extensive publicity in this regard; and to investigate the real situation before households are re-registered. We are pressed for time, and the task is arduous. The preparatory work for the census has entered a critical or the before-going-to-battle stage. How the preparatory work is carried out in this period will determine the success or failure of the census; thus, leaders at all levels must pay close attention to this work.

At the meeting, Li Tiesing gave important instructions on how to make further preparations for the census. He stressed the need to strengthen leadership over census work and pointed out: The forthcoming census is an

important task assigned by the State Council to governments at various levels, and a system of responsibility for administrative leaders at the provincial, prefectural, county, and township levels should be instituted. He stressed: The number of births that exceed the approved level and the floating population must be accurately registered. All localities must gain more experience and practically solve problems in this regard. He stressed social mobilization and propaganda for this purpose. Li Tiesing called on governments at all levels to make an overall plan on how to utilize personnel involved in preparing for the census. He also called on the governments to send members of census leading groups at all levels to lower levels to inspect and promote the progress of the preparatory work.

Li Stresses Census Importance

OW1904180690 Beijing XINHUA in English
1517 GMT 19 Apr 90

[Text] Beijing, April 19 (XINHUA)—State Councillor Li Tiesing said today that the impending national census is an important investigation into the state's capacity in all aspects, which must be in the charge of the local government leaders.

As head of the population census leading group of the State Council, Li made the remarks to the leaders of all provincial census leading groups at a national teleconference held here today.

China's fourth population census will be launched throughout the country on July 1.

He said that from today on, heads of the census leading groups of all provinces, prefectures, counties and townships must pay intimate attention to the areas where problems in census preparation still remain.

He stressed, the census is a significant event in China's political and social life, which has drawn wide attention at home and abroad.

"To ensure its success, we should call for the participation of all social forces," he added.

Administrative institutions for the population census above county level have all been set up. Institutions have also been established in 90 per cent of the towns. Institutions have even begun to appear in some villages.

Zhang Sai, minister in charge of the State Statistical Bureau and deputy head of the population census leading group of the State Council, said a lot of work is still waiting to be done in the 73 days remaining.

He noted the training of census workers must be emphasized in order to make sure that they are very familiar with the policies, regulations and technical knowledge regarding the census. The training of all census workers must be completed before June 23, he stressed.

Zhang said, the check of residence cards is an important part of the census work. To do this, census workers must

visit each family. He said the focus of the work is on residents without residence cards and the floating population.

"The difficulty of the census lies in the floating population and the babies brought into the world by parents who refuse to observe the family planning policies," he said.

Seven million workers will take part in the census.

Zhao Dongwan Addresses National Personnel Meeting

OW1604182090 Beijing XINHUA Domestic Service
in Chinese 1051 GMT 16 Apr 90

[Text] Beijing, 16 Apr (XINHUA)—A National Conference of Directors of Personnel Departments and Bureaus was held in Beijing this morning.

The main items on the agenda of the conference are to implement the guidelines of the Fourth, Fifth, and Sixth Plenary Sessions of the 13th CPC Central Committee and the Third Session of the Seventh National People's Congress; study and make arrangements for the improvement and consolidation of personnel work and strengthen macro-control; explore ways to deepen reform of personnel, job title, and wage systems; and study how to improve personnel departments themselves.

At the conference, Minister of Personnel Zhao Dongwan delivered a report entitled, "Improve and Consolidate Personnel Work and Deepen Reform of the Personnel System."

Zhao Dongwan pointed out: The general guiding principle for this year's personnel work is to uphold the party's basic line; earnestly implement the policy of improving the economic environment, straightening out economic order and deepening reform; strengthen macro-control of personnel work; maintain a clean and honest government; further carry out reform of the personnel, job title, and wage systems; promote institutional reform and work concerning intellectuals; and make active contributions to greater political, economic, and social stability.

In his report, Zhao Dongwan called for efforts to strengthen macro-control of cadre and personnel administration, continue to implement reform of the personnel system relating to cadres, sum up experience and perfect the system for appointing specialists, do a good job in wage readjustment, explore reform of the wage system, and earnestly improve the personnel departments themselves.

Editorial Cites Need To Boost National Economy

HK2004070090 Beijing RENMIN RIBAO OVERSEAS
EDITION in Chinese 20 Apr 90 p 1

[Editorial: "Concentrate Efforts on Boosting the National Economy"]

[Text] The common theme of the Third Sessions of the Seventh National People's Congress and the National Committee of the Chinese People's Political Consultative Conference, which concluded not long ago, was to struggle for the further political, economic, and social stability and development of China. This is an entirely correct principle. Continuously developing the productive forces, building socialist material and spiritual civilizations, and gradually improving the material and cultural lives of the masses of people are the fundamental tasks of the socialist period. To maintain long-term political stability in our country, it is necessary to continue to uphold the principle of taking economic construction as the center and concentrate our efforts on bringing about an upswing in the national economy.

Eleven years ago, with the Third Plenary Session of the 11th CPC Central Committee as the mark, the whole party shifted the focus of its work, thus forming the basic line with economic construction as the center and adherence to the four cardinal principles and the policy of reform and opening up to the outside world as the main substance. The Fourth Plenary Session of the 13th CPC Central Committee reaffirmed: It is a correct line of integrating Marxism with the socialist construction realities in China. Under the guidance of this line, China's socialist modernization has made tremendous achievements, which have been universally acknowledged. The people's material and cultural lives have been markedly improved; undertakings in various fields have developed vigorously; and the country's comprehensive national strength has been substantially boosted. To bring about an upswing in the national economy, first of all, the whole party should have a better understanding of the particularly great significance of vigorously developing society's productive forces with economic construction as the center. Ours is a socialist country. In the days ahead, no matter when and under what circumstances, we should be firm and unshakable in embarking on the socialist road. To enable the flag of socialism to flutter in the wind in our country, one important condition is that we should fully display the superiority of socialism over the capitalist social system in developing the productive forces. In this sense, whether or not the national economy can be boosted is of vital importance to the fate of the socialist system and the future of the party and the state. The Communist Party of China is a party which serves the people wholeheartedly and works for their interests and happiness. In the war years, the people followed the party because it led them in freeing themselves and in standing up; in the construction years, the people followed the party because it led them in taking the road to prosperity and happiness. Pauperism is not socialism. Only when efforts are devoted to vigorously developing the productive forces so that the country will become strong day by day and the people's livelihood increasingly improve can the broad masses of people have firm confidence in taking the socialist road and can our party win their wholehearted support. The several dozen years of practice, in particular, the achievements in economic construction over the last decade or more,

have proved that the Communists are entirely capable of bringing about an upswing in the national economy with full confidence.

To do a good job in economic work and achieve a sustained, stable, and harmonious development of the national economy, at present it is necessary among other things to conscientiously implement the guiding thinking and various tasks as defined in Premier Li Peng's government work report. In the 10 years or more of reform and opening up to the outside world, overall, our country's national economy has developed rapidly and has been in good shape. Great achievements have been made in our national economy. Nevertheless, some problems have cropped up in the course of its development, such as an overexpanded construction scale, an imbalanced total quantity, a structural deterioration, and worsening inflation. Thanks to the effort to improve the economic environment and rectify the economic order in the past year or more, things have taken a remarkable turn for the better. However, the problems have not yet been solved completely. This being the case, we should pay keen attention to doing a good job in economic work. We should concentrate forces on running agriculture well, work hard to get rid of sluggishness in the market, improve economic results, promote technological progress, strengthen macroeconomic regulation and control, deepen enterprise reform, and speed up the construction of key development projects. To maintain a certain growth rate, a balance in total quantity, and a coordinated structure, we should work hard to boost economic results so that the economy will develop in a healthy manner. We should eliminate the unstable elements left over by an overheated economy in the last few years. We should create a favorable environment and conditions for the development of the economy throughout the 1990's through the effort to improve the economic environment and rectify the economic order.

Promoting and deepening reform is an extremely important link in bringing about an upswing in the national economy. One fundamental reason our country has made such great achievements in its economic construction in a short span of 10 years is that our party has earnestly implemented the policy of reform and opening up to the outside world as a basic state policy. Through several years of practice, the party has formulated a set of correct policies and measures concerning reform and opening up. Our task is to enrich and improve these policies and measures on the basis of summing up experience. On the premise of adhering to a correct orientation, further efforts should be made to explore new avenues for reform and opening up. All measures and methods conducive to the development of society's productive forces should continue to be put into practice and all things hamstringing the development of society's productive forces should be continuously abolished. The achievements of reform and opening up should be consolidated and developed.

In the whole course of economic construction, we should closely rely on the masses of people, unite with all forces

that can be united, bring every positive factor into play, and build the socialist modernization edifice using the people's wisdom and intelligence as well as their enthusiasm for construction. We should bring into full play the role of the broad numbers of staff members and workers as the masters of the country, extensively launch activities to offer "rationalization proposals," and concentrate the enthusiasm of the broad masses of people on improving economic results, promoting technological progress, and on making contributions for the development of their enterprises. The masses of people are both the beneficiaries and the builders. People who long for a happy and prosperous life must plunge themselves into socialist modernization, struggle hard amid difficulties, work honestly, contribute their knowledge, and share in the rejuvenation of the state and nation. At present, we should particularly advocate heightening our spirit. The Chinese people always have the indomitable spirit of working hard, which is the precious heritage with which our nation has managed to improve and support itself. Now that we have managed in a short period of several decades to turn the poor and weak China into an independent big country with initial prosperity that occupies a decisive position in the world, it will be entirely possible for us, with another unremitting struggle, to overcome all kinds of difficulties, achieve the magnificent goal of the modernization program, and realize the great ideal of invigorating China and building socialism with Chinese characteristics. What is important is that we should have faith in our own power. Any pessimistic views and inertia are groundless and therefore, are also undesirable. In the war years and in the 1950's and 1960's, the Chinese people faced much greater difficulties and endured much greater pressures than what they are today, by relying on the close ties between the party and the masses of people, we straightened up, struggled amid difficulties, and won victories. Today's difficulties and pressures all the more will not scare the Chinese people.

Party committees at all levels have attached great importance to economic work. What is at issue now is that we should, on the basis of summing up experience, study the new contradictions and problems currently cropping up in our economic work. We should especially study the question of making planned economy and regulation through market mechanisms integrate with and complement each other so that the planned commodity economy in our country will become more perfect. Party leaders at various levels should take the lead in going down to the grassroots units, immersing themselves among the masses, and going right to the front line of production to conduct investigations and study, "dissect a sparrow," acquire real knowledge and deep insight about economic work, and gain the initiative in leading economic work. Party organizations at all levels, in particular, the party organizations in departments in charge of economic affairs, enterprises, and rural areas, should proceed from the overall interests of the state, give full play to their role as the core of leadership and the fighting bastion, and make sure that the various

policies on economic work formulated by the central authorities will be implemented. So long as we resolutely implement the party's basic line, firmly grasp economic construction as the center, and make concerted unremitting efforts to carry out economic work for a long time, there will be bright prospects for bringing about an upswing in the national economy.

RENMIN RIBAO's Gao Di on Public Opinion

HK1904134490 Beijing LIAOWANG in Chinese
No. 13, 26 Mar 90, pp 5-7

[Article by Gao Di (7559 3695): "Correctly Orient Guidance of Public Opinion, Comprehensively Reflect Reality"]

[Text] "Gossip is a fearful thing." The strength of public opinion can never be underestimated. An ideological point of view or a political idea will not be disseminated far and wide if the mass media do not give it publicity. Therefore, our party has always attached great importance to opinion work. We can say that our party relied on public opinion to develop. The primary task for the party is to conduct propaganda among the masses so that the masses can come to realize the truth and be organized to fight for the truth.

Since the Third Plenary Session of the 11th CPC Central Committee, reform and opening up have achieved great results acknowledged by the whole world; the economy has made substantial development; the people's livelihood has been obviously improved; and the people are living happily. However, there also appeared a noticeable fact that some people "liked to swear while eating the meat in their bowls." Why was there such a sharp contrast? An important reason was that our work in the ideological field, or our political and ideological work, was not conducted properly. As Comrade Deng Xiaoping pointed out, the largest error in the past 10 years existed in education.

In this regard, journalism and the mass media should bear a major responsibility. Over the past 10 years we did a great deal of work in the field of journalism and public opinion to give publicity to the reform and opening-up policy and achieved great results. However, we did not make sufficient efforts to give publicity to the maintenance of the four cardinal principles and did not wage forceful struggle against the trend of bourgeois liberalization. In the field of journalism and public opinion there also existed the problem of one hand being tough and the other being weak. Some newspapers and journals even provided a position for the trend of bourgeois liberalization. This was a profound lesson for us.

Onesidedness was a major problem in our journalistic and opinion work. For example, reform represents the self-improvement and self-development process of the socialist system. To carry out reform we must expose the problems in the existing systems. However, this must be done on the basis of affirming the superiority of the

socialist system. Over a fairly long period of time the superiority of the socialist system was rarely mentioned in our propaganda and opinion work; instead, capitalism was described as something wonderful and fantastic. This made some people feel that socialism was not as good as capitalism and even made some people lose confidence in socialism. As another example: Our party is a great party and serves the people wholeheartedly. Most party members and cadres are honest and incorrupt in performing their official duties but some party members, cadres, and even leading cadres, failed to stand the tests of holding the ruling position and of reform and opening up. They pursued private gain by making use of official powers, took bribes, and were guilty of corruption. It is completely necessary to fully expose such negative phenomena. However, when exposing these negative things we did not give sufficient publicity to the large number of good people and good things inside the party and in our society. This gave a false impression to people and made them feel that the Communist Party had become corrupt.

Dialectical materialism is the world view and methodology of the communists. Our journalists should also act according to the requirement of dialectical materialism. News reports must actually reflect the facts. Things can always be divided into two sides. There is certainly a positive and negative side to reality and the essential aspect of things always exists side by side with some nonessential aspects of things. If our journalism only reflects the negative and nonessential aspects of our real life, then this in fact goes against the essence of the reality. When our journalism fails to reflect the reality it also goes against the party spirit principles in our journalistic work. In our society, the bright side is the main aspect. So, our news reports and opinion media which reflect the objective reality must lay stress on giving publicity to positive things.

The process of checking turmoil and quelling the counterrevolutionary rebellion gave profound education to our journalists and set aright the opinion orientation. At present, our newspapers and journals can more objectively, comprehensively, and authentically reflect the conditions of our party, our society, and our work. First, they can now justly and forcefully give publicity to the four cardinal principles and the superiority of the socialist system. By citing concrete facts and making realistic analyses they have pointed out that socialism is a newborn social system in which there may be imperfections, or even many drawbacks. But socialism is a social system under which the exploitation of man by man is eliminated and social polarization is thoroughly solved, creating a more fair and reasonable form of society. As compared with the developed capitalist countries, the socialist countries are still rather backward economically, but this is a problem left over from history and can certainly be solved step by step in the process of historical development. In order to develop socialist production, we need to learn from and make use of the advanced science, technology, and management skills in

capitalism. However, we can never learn from nor introduce the decadent things in capitalism. This will then guide reform and opening up to develop in a correct orientation.

The international anticommunist and antisocialist forces attacked us by saying that there was no democracy, freedom, and human rights in our country. We refuted this tit for tat, pointing out that there is no abstract democracy, freedom, and human rights in the world. Under the conditions of private ownership, social polarization, and a wide gap between the rich and the poor, any talk about democracy, freedom, and human rights is sheer hypocrisy and is an attempt to deceive the laboring people. For those who find it hard to get sufficient food and decent shelter, how much democracy and freedom can they enjoy? What human rights can they have? All such things need to be analyzed concretely. From the Marxist viewpoint, only by eliminating exploitation and realizing economic equality can society realize genuine democracy, freedom, and human rights.

We have also correctly given publicity to the historical inevitability and the extreme importance of maintaining the leadership of the Communist Party by pointing out that the leadership of the Communist Party was not imposed externally on China but was realized independently by the Chinese people through their protracted struggle. The party led the people to defeat imperialism, feudalism, and bureaucratic capitalism, to establish the PRC. The party then led the people in carrying out socialist revolution and construction, thus turning China from a poor and backward country into an initially prosperous socialist country. In the recent period we gave much coverage to the progressive ideas and exemplary deeds of a large number of outstanding party members, cadres, and leading cadres, and to the improvements of the leadership style and consolidation of party organizations from the central to local levels, thus restoring the party's brilliant image among the masses.

We should affirm that since the Fourth Plenary Session of the 13th CPC Central Committee our propaganda work has become more realistic and has kept more in line with Marxism. This is a gratifying development.

Journalistic work needs to be done by journalists. The quality of the journalist contingent has a direct bearing on the opinion orientation. In the second half of last year, some gratifying changes also occurred in this regard. The crucial link lies in the leadership. First of all, journalist units must be put under the leadership of people loyal to the party and to Marxism. In the past, some journalists were influenced by bourgeois liberalization and said and did wrong things or wrote things which they should not have written. Through study and rethinking, most of these comrades have returned to the party's position and changes have occurred in their

thinking and feelings. Facts show that the general condition of our journalist contingent is good and the contingent is trustworthy. Most of our comrades who committed this or that mistake have been able to correct their mistakes. Only a very small number of people stubbornly stick to bourgeois liberalization.

Socialism is a brand new and unprecedented cause. Socialism needs improvement, development, and reform. Similar, our journalistic work also needs reform. Bourgeois journalists boast their "freedom of journalism." In fact, their "freedom" is still subject to the limitations set by their governments, their bosses, and their money. They deny that journalism is a means of propaganda. In fact, none of the world's newspapers and journals fails to give publicity to certain values. Bourgeois journalism conducted a great deal of misleading propaganda by misrepresenting facts with ulterior motives over our actions to quell the counterrevolutionary rebellion! We have never denied that our journalism and opinion media serve as a means of propaganda. Of course, we still have to study what we should give publicity to and how we should do this. We uphold the truth and the truth must be based on facts. We will reason on the grounds of facts and will convince the people by means of reasoning. We need to make our newspapers readable, amiable, and convincing to the vast number of our readers. It is a pity that now there is still a considerable quantity of empty talk, official jargon, and stereotyped shibboleths in our newspapers and journals and their contents and layout are still not attractive enough. So, we must continue to make improvements.

The Sixth Plenary Session of the 13th CPC Central Committee stressed that the party must maintain close ties with the masses. The party newspapers are not only the party's mouthpieces but should also act as intimate friends to the masses. They constitute a major channel of communication between the party and the government on the one side and the masses of the people on the other. Newspapers and journals in our country bear major responsibility for maintaining close relations between the party and the masses. Socialist journalism also bears major responsibility for acting as the vanguard on the ideological front. As a journalist I am willing to make joint efforts with my colleagues in the journalist circles to run the party newspaper better and develop our socialist journalism.

Propagandist Discusses Ideological, Political Work

*HK2004092190 Beijing LIAOWANG in Chinese
No. 13, 26 Mar 90 p 8*

[Article by Dai Zhou (2071 5297), deputy director of the Propaganda Bureau of the Propaganda Department of the CPC Central Committee: "Do a Good Job in Ideological and Political Work To Enhance the People's Vigor"]

[Text] In quite a long period in the past, the good tradition of stepping up the party's ideological and

political work has been seriously weakened and disrupted. The organs for ideological and political work are not well established, the teams are not well organized, the spheres and means for maneuver are too little, the funds are lacking, and the whole work has not been accorded the importance and support it should have. Although there are many reasons for the political storm in late spring of last year, it has close relations to neglecting party building and the party's ideological and political work, and to allowing bourgeois liberalization thought to run rampant.

After the turmoil was stopped and the rebellion quelled, I think, according to the principle of summing up the past and pondering the future, that the main reasons why ideological and political work has been relaxed and neglected are as follows:

First, it was due to the serious consequence of the fact that Comrade Zhao Ziyang has weakened the party's leadership and the party's ideological and political work, as well as disrupted the party's excellent tradition, to the extent that the function of some of the party organs at the basic level has been seriously weakened, becoming unable to put the party's ideological and political work on the important agenda of the party committees.

Second, after the key point in work for the whole party has shifted, some comrades, and in particular some leading cadres have misunderstanding and erroneous thought, thinking that as long as they can do economic work well, people's minds will naturally become good.

Third, some ideological and political workers have been influenced for a long time by the past "leftist" guiding thought; they are not adapted to the demands of the new period of reform and opening up, and used to the past method for ideological and political work. They lacked the spirit of innovation, new methods and styles, and means, therefore they have little marked achievements in work.

Since the Fourth Plenary Session of the 13th CPC Central Committee, the central leadership group with Comrade Jiang Zemin as the core, has attached great importance to party building and the party's propaganda and ideological work, creating beneficial conditions and public opinion for overcoming the tendency of "one hand being tough, the other being soft." Shortly after the rebellion was quelled, the CPC Central Committee approved the convening of a national meeting of directors of propaganda departments, to focus on discussion on stepping up propaganda and ideological work. The leading comrades of the central authorities such as Jiang Zemin, Li Peng, Li Ruihuan and Ding Guangen attended the meeting and made important speeches. Shortly after the meeting, the central authorities issued notice on stepping up propaganda and ideological work, further clarified the guiding thought and basic duty of this important task, made arrangement for stepping up propaganda and ideological work, and raised strict demands.

Shortly after, the CPC Central Committee approved the convening of a national meeting of directors of organization departments, to specifically discuss the important problems of party building. Comrade Jiang Zemin and Comrade Song Ping attended the meeting and made important speeches. After the meeting, the notice on strengthening party building was issued.

These two meetings and two documents have played an extremely important role in promoting and stepping up ideological work and party building.

After the conclusion of the national meeting of directors of propaganda departments, the CPC Central Committee Propaganda Department referred to the various tasks proposed by the notice on stepping up propaganda and ideological work issued by the CPC Central Committee and delicately organized the theoretical, press, publication, and literary fronts and propaganda organs at the grass-roots level to implement them one by one, as well as strengthened leadership. Take the party's propaganda and ideological work at the grass-roots level as an example, they have convened forums on ideological and political work for enterprises as well as for rural areas, forums on spiritual civilization construction among urban and rural masses, and a national forum on work in party schools at grass-roots level, fulfilling and implementing the duties proposed by the "notice" of the CPC Central Committee. Referring to the demands of "one center, two basic points," it was demanded that the rural areas deeply launch education on the party's basic line; on the party's basic policy, law, and regulations; and on the basic situation of our country; within enterprises, deeply launch education on the party's basic line and on the basic situation of our country; among party members at the grass-roots level in the rural as well as urban areas, systematically and deeply carry out education on basic theory of Marxism and of Mao Zedong Thought, especially education on Marxist philosophy and the party's basic line. It was also demanded that two or three year's time be spent in carrying out strict training and education for all party members.

The efforts in stepping up the party's propaganda, the ideological work for intellectuals, and party building have aroused the eagerness of the great masses of party members, workers, and peasants to build socialism; promoted vigorously the process of rectification and improvement and of deepening reform, and ensured political and social stability in the whole country.

The gratifying and new changes rapidly taking place in the party's ideological and propaganda work, are due to the attention paid by the new CPC Central Committee with Comrade Jiang Zemin as chief, and to the adoption of practical and effective measures. Through the struggle for upholding the four cardinal principles and against bourgeois liberalization, the party's basic line has been carried out overall. Party organs at various levels further realized from practice that political work is the lifeblood of economic work and all other work, and stepped up concrete guidance over ideological and political work, as

well as adopted corresponding measures in the aspects of funds, organs and teams for ideological and political work. The party's great masses of ideological and political workers have also enhanced vigor; strived to restore and develop the excellent tradition and work style of the party's ideological and political work; summed up and explored new methods and forms suited to the demands of the new situation; stepped up ideological education on patriotism, collectivism, and socialism; launched campaigns to learn from Lei Feng and from Lai Ling; and carried out the activities of "wiping out pornography" and eliminating the "six vices," enabling the just spirit of socialism to develop, and checking evil social phenomena.

This year is the first year of the decade of the 1990's, doing well this year's work is of great significance to laying a good foundation for construction and reform in the entire decade of the 1990's. We must work hard to publicize and implement the spirit of the Fourth Plenary Session, the Fifth Plenary Session, and the Sixth Plenary Session of the 13th CPC Central Committee, further strengthen party building and ideological and political work, fully develop our political strong points, and ensure a ceaseless advancement of the great undertaking of constructing socialism with Chinese characteristics.

Measures Announced To Help School Dropouts

HK2004022490 Beijing CHINA DAILY in English
20 Apr 90 p 1

[by staff reporter Wang Rong]

[Text] China's youthful 'Hope Project' will grant stipends to 10,000 children at the start of the September semester as part of its charter to help rural drop-outs return to school.

The five-month-old project will target children from poor families who have proved themselves to be diligent and intelligent. Each will receive 40 yuan for every school year until they finish elementary school, according to the project's sponsor, the China Youth Development Fund (CYDF).

Hope Project's plans for this year were released at a symposium held in Beijing on Wednesday.

A leader of the Chinese Communist Youth League (CCYL), Liu Yandong, told the symposium the first Hope Project-aided Hope School, in Jinzhai County in Anhui Province, would open in May.

Liu said that of the 523 students of the 27-teacher township school, 45 were deprived of education for financial reasons, and had been helped by the project.

Hope Project, as one of China's International Anti-Illiteracy Year endeavours, had raised more than 1 million yuan from individuals and state units in the past five months.

Liu said CYDF was considering setting up local Hope Project Scholarship Funds in 328 poverty-stricken counties to enable local people and units to directly benefit from the donations.

One, Liu said, had already been established in Lanzhou, Gansu Province, where the city's chemical industry plant made itself the main donor and co-conductor of the Weixian County Hope Project Fund.

Liu said the project was also a great help to the state education authority.

About 40 percent of China's 4 million drop-outs quit school due to lack of money, and "about 150 million yuan is needed annually to help all the 1.6 million children who have quitted due to money shortages," Liu Bin, vice-minister of the State Education Commission, told the meeting.

"It's a job the State Education Commission (SEC) can't shoulder alone for personnel and financial reasons," he said.

He thanked CYDF for the project which the education authorities benefit from, and called on local departments to lend a hand to CYDF in carrying on the project.

Another CYDF leader, Song Defu, told the meeting the Hope Project could only help one tenth of the country's school drop-outs and could do "very little" to solve the problem on its own.

Funds Released for Fight Against Snail Fever

HK2004023090 Beijing CHINA DAILY in English
20 Apr 90 p 3

[by staff reporter Zhu Baoxia]

[Text] The central government has allocated five million yuan (\$1.1 million) to eight provinces suffering an epidemic of snail fever.

The money, for treating patients affected by the parasite, is to go to Hubei, Hunan, Jiangxi, Anhui, Jiangsu, Sichuan, Yunnan and Zhejiang provinces, all in southern and southwestern China, according to Wang Huanzeng of the Snail Fever Control Department of the Ministry of Public Health.

The State Council has released a statement calling for strengthened efforts in snail fever control.

The statement said that starting this year, a national conference on snail fever control would be held annually to evaluate the implementation of State principles in the field, exchange working experiences and make arrangements for the next year.

The State has also urged governments at all levels in the affected districts to include a snail fever elimination campaign in their regional plans for social and economic development. Officials performances should also be evaluated, it said.

Lake areas in the eight provinces, most along the Yangtze River, are experiencing a come-back of snail fever, which was almost wiped out in the late 50s after several years of intense effort.

The number of infected people and animals as well as the amount of water and fields infested with snails is increasing rapidly in some areas.

There are currently about one million people nationwide with snail fever, 40,000 in the advanced stages. Another 100 million people face the risk of exposure to the disease.

The 110 affected counties are mainly concentrated in the lake and mountainous areas of the south.

Wang said that since last December, provinces affected by the epidemic as well as other lake provinces and districts had all strengthened leadership in the work.

Five of the provinces suffering from a severe epidemic of the disease—Hubei, Hunan, Jiangxi, Anhui and Jiangsu—have all established specialized leadership groups headed directly by provincial governors.

The five lake provinces have also formed a Joint Snail Fever Control Leadership Group to co-ordinate the carrying out of the work.

Each province has increased its budget for the programme by up to three million yuan (\$640,000).

Hubei, the worst affected province, is to allocate more than 10 million yuan (2.1 million) this year, while Jiangxi, the least prosperous of the five provinces, has also promised to provide three million yuan (\$640,000) for the project for the year.

All primary and secondary school students in the five provinces are being given courses on prevention of snail fever.

Medical teams have also been sent by provincial governments to help treat patients in several of the affected areas.

XINHUA Features Information on Nationalities

Achang Nationality

OW1904132590 Beijing XINHUA in English
1146 GMT 19 Apr 90

[Part five of the XINHUA series of articles "Knowledge About China": "Achang Nationality"]

[Text] Beijing, April 19 (XINHUA)—The Achang nationality, living mainly in southwest China's Yunnan Province, has a population of 20,000.

The Achang people have a spoken language which has no written form. However, most of them can also communicate in the Han and Dai languages.

Their habitat has a warm climate, fertile land, and abundant hydropower, forestry, and mineral resources.

They are good farmers. The "hao an gong" paddy rice cultivated in their area is known as the best paddy strain.

The Achangs are also known for their handicrafts, especially cutting tools. They trade their knives, sickles, etc., with neighboring peoples. The Achang silver ornaments, embroidery and carvings are very popular, too.

The Achang young people usually fall in love naturally before engagement. If they cannot get permission from the girl's parents, the boy's family tries to steal the girl away from her parents. A family which has no sons will adopt a son-in-law.

The Achang nationality has a rich spoken literature and a wide repertoire of folk songs.

Dancing to the elephant-leg-shaped drum and the lion dance are typical Achang pastimes.

Bai Nationality

OW2004142590 Beijing XINHUA in English
1203 GMT 20 Apr 90

[Part six of the XINHUA series of articles "Knowledge About China": "Bai Nationality"]

[Text] Beijing, April 20 (XINHUA)—The Bai nationality has a population of over 1.13 million, most of whom live in compact communities in Yunnan Province.

The Bai people have their own language and, as a result of long contact with the Han nationality, can also speak Chinese.

The Bai nationality has a long history and a splendid culture. They boast many inventions and outstanding works on astronomy, calendars, meteorology, medicine and literature.

The three pagodas of Chongsheng Temple dating back over a thousand years in Dali, the Shibaoshan Grottoes in Jianchuan, "the picture scroll of the prosperity of Nanzhao State" and "the picture scroll of Dali" reveal the long history of the Bai nationality and their talents in architecture, sculpture and painting.

Ninety percent of the Bai people are engaged in farming. They are especially good at growing rice.

The sons of Bai families usually live apart from their parents after they get married.

The "third lunar month fair," and the "torch festival" are the most important holidays of the Bai people.

Science & Technology

Communication Tests Start on Asian Satellite

OW2004014590 Beijing XINHUA in English
0026 GMT 20 Apr 90

[Text] Hong Kong, April 20 (XINHUA)—The first regional satellite of Asia, which was launched from China's Sichuan Province April 7, is now undergoing extensive testing of its communication capabilities, the Asia Satellite Telecommunications Company reported last night.

"The tests are proceeding smoothly and everything is in order so far," said Chiu Ya-hui, operations manager of the company.

Asiasat-1 reached its final orbital position of 105.5 degrees East on April 15. Each transponder is being checked for its power, frequency response, noise gain temperature and other aspects to ensure that it is fully functional.

The engineers at Stanley Earth Station in the south of Hong Kong Island are also measuring the antenna cuts to verify that the satellite is performing as expected. Antenna cuts are radiation patterns received from the satellite when the antenna is moved to different angles.

Currently, technicians from the Hughes Aircraft Company of the United States are conducting the testing of Asiasat-1 from Hong Kong. When the satellite is declared to be ready for service, its control will be handed over to local engineers.

It is anticipated that Asiasat will begin providing services from mid-May.

Asiasat is owned in equal shares by Cable and Wireless PLC of Britain, China International Trust and Investment Corporation (CITIC), and Hutchison Shampoa Limited of Hong Kong.

Torch Plan Benefits for Technology Described

OW1904131890 Beijing XINHUA in English
1209 GMT 19 Apr 90

[Text] Beijing, April 19 (XINHUA)—Since it was first implemented in August 1988, the "Torch" plan has created favorable conditions for the development of high technology in China by establishing high-tech development zones and carrying out various projects.

"Torch" plan, administered by the State Science and Technology Commission, is designed to find practical applications for research findings, thus promoting high technology industries in China.

According to Shi Dinghuan, a program official, over 30 high-tech development zones have been set up throughout the country based on the "Torch" plan. According to statistics from 15 cities, including Beijing,

Wuhan, Nanjing, and Shenyang, the 2,065 high technology enterprises approved by the state produced a total output value of 2.62 billion yuan, and the total value of their exports in 1989 was over 45 million dollars.

The official said 25 high technology development service centers have been established in Shenyang, Harbin, Beijing, and other cities using foreign experience in supporting small high-tech enterprises.

In 1988 and 1989, he said, the commission approved 283 state-level "Torch" projects, 70 percent of which were carried out by research institutes, colleges, and universities in partnership with enterprises.

These projects have "good market prospect and high efficiency," the official said.

The official said the total investment in these projects was 1.5 billion yuan, and their estimated annual output value is 5.6 billion yuan and annual export value 580 million dollars.

He said the program has aroused the interest of some foreign countries, which have expressed intentions of cooperating with China.

According to the official, the "Torch" plan obtained loans totaling over 200 million yuan and 10 million U.S. dollars from the Industrial and Commercial Bank of China in 1988 and 1989. This year loans are expected to total 700 million yuan.

The commission and the Ministry of Finance have given preferential treatment to support the development of the program, the official said.

First Test-Tube Pigs Successfully Bred in Jiangsu

OW1904191890 Beijing XINHUA in English
1425 GMT 19 Apr 90

[Text] Nanjing, April 19 (XINHUA)—China's first test tube pigs have been successfully bred in Nanjing, the capital of southeast China's Jiangsu Province.

On April 10 at the province's academy of agricultural sciences, a sow that had received externally fertilized embryos three months previous gave birth to eight piglets.

According to Fan Biqin, a researcher at the academy, the research involved and the external fertilization technique will improve pig breeding, raise the output and quality of pork, and help develop the pig breeding industry in China.

Military

Progress, Capabilities of Air Force Cited

OW1804094590 Beijing BAN YUE TAN in Chinese
No. 4, 25 Feb 90 pp 44, 45

[Report by Cai Shanwu (5591 0810 2976): "Chinese Air Force Today" —with photograph of four fighters in flight formation and another of newly developed spherical full-view flight simulator]

[Text] The Chinese People's Liberation Army Air Force has become a powerful fighting force through construction and development over the past four decades.

Born in the same year as the Republic, the Air Force was founded on 11 November 1949.

Though small and weak in the early stages, Air Force units bravely shouldered the combat task of air defense and organized the Chinese People's Volunteer Army to take part in the War To Resist the United States and Aid Korea.

In the early stages, the Air Force imported aircraft mainly from the Soviet Union. Along with the development of China's aeronautics industry, the country entered a new era of basically acquiring the capability to domestically manufacture aircraft, ground-to-air guided missiles, and other weapons and equipment for the Air Force by the mid-1970's. Today, the People's Air Force is equipped with large numbers of relatively advanced fighters, attack planes, bombers, reconnaissance aircraft, and various kinds of special aircraft designed and manufactured by China. High-altitude high-speed fighters designed and manufactured by China have the capabilities of dogfighting and attacking ground targets both by day and night, and under adverse weather conditions.

The Air Force's aerial weaponry has been increasingly modernized. Since the mid-1980's, hand-operated combat logistic equipment has been gradually upgraded to semiautomatic or automatic. Simulating training equipment for the Air Force's major arms and services have been developed from mechanical and electrical simulation to laser and electronic simulation; from technical to tactical simulation; and from simulators for fighting personnel to simulators for commanding personnel in a tactical campaign. Laser simulators for attacking ground targets have been installed in some fighters, bombers, and attack planes. A simulation command system for tactical campaigns has been set up for airmen. Aircraft maintenance and repair for the Chinese Air Force, which were previously performed by experienced mechanics, are now done with scientific equipment. Aircraft repair plants can repair and rebuild, not only all kinds of indigenous aircraft in active service, but also planes for a few countries with a developed aviation industry.

In navigation communications, a transition from using mainly shortwave double sideband to shortwave single

sideband has taken place in radio communications. The installation of radars for guiding landing in all aircraft has enhanced the capability of safe landing under adverse weather conditions. An automatic weather information exchange system and automatic system of copying and reporting weather maps, which have been put into operations by the Air Force, have basically formed a nationwide weather monitoring network.

In modern warfare, electronic countermeasures are important means for combat, including electronic reconnaissance and counter-reconnaissance, electronic interference and counter-interference, and destruction and counter-destruction of electronic equipment. The development of electronic countermeasures by the Air Force has greatly improved the aircraft's capabilities for survival and actual combat. Currently, all combat logistic technical personnel have completed regular training at Air Force academies, while the majority of cadres have undergone in-service rotational training. Compared with previous conditions, the time required for keeping aircraft at plants for periodic inspection and repair has been cut down by 50 percent; the number of planes which can be put into operation has increased by more than 200 monthly; and the rate of serious accidents caused by mechanical troubles per 10,000 hours has dropped markedly, reaching the world's advanced level. Logistic support has been improved comprehensively to consistently ensure good take-off and landing conditions for more than 99.8 percent of flying. Today, all flight personnel have at least a college education. The number of "all-weather" pilots in the Air Force has increased 16.4 times over 11 years ago. Eighty percent of flight personnel have qualified for certificates of various grades, including 38 percent in the special and first grades. The Air Force has trained a group of young pilots well versed in the English language. All aviation army, divisional, and regimental commanders are capable of piloting planes; and all aviation divisional commanders can lead a group of airmen in air combat. The "all-directional" paratroopers have reached an unprecedented level of capability to land and fight at any time and in any place. The Chinese Air Force ranks third in the world in the number of aircraft. Every day, thousands of planes fly in various places. For more than a decade, the Chinese Air Force has maintained a flight safety record which is outstanding in the world.

Since its founding, the People's Air Force has mobilized 17,000 aircraft sorties to support 50,000 industrial and agricultural projects for national economic construction, and 25,000 sorties to take part in flood countermeasures, rescue earthquake victims, extinguish fires, and combat other natural disasters on 61,000 occasions; and it has air-lifted 420,000 metric tons of relief materials to 360,000 victims of natural disasters.

To alleviate the strain on local air transportation, the Air Force has opened some 60 special railways to various local authorities since 1982. In the past decades, the Air Force has dispatched about 10,000 sorties to collect

reliable data for the mapping of China's border and coastal regions and for key state construction projects.

In the past four decades, the Air Force has dispatched more than 500 aviation, navigation, communications, and other air personnel to replenish the civil aviation departments; it has successively opened 55 military airports for civilian use; and the engineering corps has built 17 airports for civil aviation departments. The Air Force has assisted the civil aviation authority to open 100 new routes by giving up flights or changing training routes, and has provided emergency landing facilities for civilian aircraft on several hundred occasions.

Deputies on Need for Law To Protect Soldiers

HK1304120290 Beijing JIEFANGJUN BAO in Chinese
28 Mar 90 p 1

[Report by Liu Xinru (0491 2450 11720): "Enactment of a Law To Protect the Rights and Interests of Soldiers Suggested"]

[Text] Beijing, 27 Mar (JIEFANGJUN BAO)—An assistant from an Army unit was beaten without reason by several people from a Henan factory when paying a family visit. He was wounded and has not recovered his health since. His Army unit keeps making representations to the relevant department for over four months, but no measures have been taken to handle this matter. A National People's Congress [NPC] deputy named Cai Renshan made these remarks in a speech to the NPC session. He suggested legislating a law to protect the legitimate rights and interests of soldiers.

Other NPC deputies said a turn for the better has been witnessed since last year in respecting soldiers. But officers, soldiers, and their families are frequently humiliated and beaten, and this is very serious in some localities. Wang Yuqi, an NPC deputy who was beaten by some local thugs, said emotionally: "In an environment of prolonged peace, soldiers' contributions are forgotten by some people and their rights and interests are not respected. A law must be legislated to solve this problem." NPC Deputies Zhu Chao and Liu Xinzeng remarked that legislating a law to protect soldiers' rights and interests was for the purpose of stabilizing Army units and the situation. NPC deputies Cao Wene and Li Shaoan pointed out, some lawbreakers beat and swear at soldiers and do anything they like to them, because they think soldiers will not fight back. How can this be allowed to continue? Commanders at the grass-roots level expressed the hope of finding a solution to this.

As some reference material indicates, there has been an increase in cases of a "third person" being involved in officers' families and thugs doing harm to these families. Many NPC deputies expressed their worry over this. NPC deputies Liu Xiaolian and Nie Li suggested amending the provisions in the Criminal Law concerning protection for a military marriage to: "Anyone found having sexual relations with the spouse of an officer in service is liable to a half year's imprisonment

or detention." This is to severely crack down on crimes undermining military marriages.

Violations of soldiers' rights and interests have frequently occurred. The entire society should pay attention to this. Some NPC deputies said that there are no explicit and detailed provisions on the rights and interests of officers and soldiers, and there is no law to go by, therefore it is difficult to subject violations of their rights and interests to legal sanctions. For this reason, they suggested formulating "regulations on protecting soldiers' rights and interests." Chi Haotian told this reporter that the press should also respond to this problem.

Logistics Official on Coping With Tighter Budget

HK1304101290 Beijing JIEFANGJUN BAO in Chinese
27 Mar 90 P 1

[Report by He Delai (0149 1795 0171) "NPC's Military Deputy Zhao Nanqi (General Logistics Department Director) Speaks on Wise Use of Limited Military Budget at Panel Discussion"]

[Text] Beijing, 26 Mar—Speaking at the PLA deputies' group discussion on the government work report of Premier Li Peng this afternoon, NPC's military Deputy Zhao Nanqi stated that the party and state are both very concerned about the building of the Army; hence, the military budget was increased this year. However, owing to the great number of accumulated problems, the Army continues to face enormous difficulties. Not only should we be prepared mentally for rough times ahead, but most of all we should map out ways and means to deal with these difficulties.

In his speech, Deputy Zhao Nanqi first clarified the military budget and the defense budget. He said: Comrade Wang Binqian in his report noted that this year's defense and military budgets are two different things. Certain allocations in the defense budget may be intended for defense constructions but are not directly appropriated to the Army. While this year's defense budget is higher than last year's, statistics provided by the State Commodity Price Bureau show that the increase in the Army budget cannot keep up with the increases in commodity prices. Therefore the Army's difficulties have not been reduced. We have to have a clear understanding on this point and not be misled into thinking that things will be easier now that the Army budget has been raised.

What is to be done in the face of difficulties? Deputy Zhao Nanqi maintained: Coping with hard times is not a slogan, but should be accompanied by action and solutions. Insofar as logistics work is concerned, we should adopt five measures:

—It is necessary to bear in mind the overall interest. Coping with hard times is not a matter that concerns a single department or person. Every one of us should look after the overall interest of the country and of the

Army. Every comrade shares the burden and responsibility concerning the difficulties experienced by the country and the Army, and he or she should contribute toward overcoming these difficulties. The concept of looking after the overall interest by an organizational unit or by a party member is a question of party spirit and principles. We should overcome and abandon any biased outlook tainted with selfish departmentalism and decentralism.

- It is necessary to make wise use of limited financial resources and not "overstretch" the funds. At the moment, budgets at all level and for all items are very tight; unfortunately, there are also many things that must be funded. From the point of view of a certain department on a certain matter, the request for some funds is entirely legitimate. However, the policy calls for weighing of priorities as equitable distribution of the budget is not feasible. On the one hand, the General Headquarters has incorporated all the funds into the budget without allocating a single cent for itself; on the other, its policy on the distribution of funds calls for the identification of priorities, with the bulk of the money going primarily to the grass roots from the regiment down and to resolution of the most urgent problems. In other words, it endeavors to use the limited funds on the most crucial areas.
- It is necessary to put a tight rein on capital construction, on collective purchasing power, and on administrative expenditures. At present, the construction of luxury guest houses and residences as well as the arbitrary purchase of banned items have not been totally stopped. Some localities continue to engage in extravagant competitions with one another, purchasing numerous microcomputers which can only perform the function of a typewriter. Such blind expenditures should be strictly curbed and supervised.
- The production operations should be handled well. In view of the fact that the current budget cannot satisfy the demands of Army construction, an effective production operation and increase in proceeds will be beneficial to the stabilization of the Army, the improvement of combat ability, and the reduction of the country's burdens. The Army's production operations should concentrate on two links: One is to focus on the economic entity—that is, to engage in industry, agriculture and tertiary industry, and never to engage in the business of buy and sell. Two is to implement the separation of Army and enterprise. Centralized management should be gradually introduced into operational production in order to improve the economic results. Big and lasting efforts should be made to handle well the Army's agricultural and supplementary productions. Once this is accomplished, the Army will be less affected by the price fluctuations of commodities in the market.
- It is necessary to strengthen management with a view to obtaining results. It is imperative to vigorously promote thriftiness and frugality and to oppose waste.

The management system should be perfected to train "red managers" for the Army during the new period and to let grass root level cadres learn how to manage. At the same time, we should seek results from the reforms. The guaranteed implementation of the "three replacements [san dai 0005 0108]" by the Logistics Department has led to savings in both money and materials. This kind of reform should not only be sustained but should be gradually expanded in scope to cover designated networks. A system to supervise spending should be introduced at all levels. At present, it is necessary to focus on clearing up the "little gold mines" and to take steps to plug the loopholes.

Leaders Stress Better Grass-Roots Service

HK1904024590 Beijing JIEFANGJUN BAO in Chinese
31 Mar 90 p 1

[Report by Yang Xuequan (2799 1331 3123): "At Military Cadres Meeting, Liu Huaqing and Yang Baibing Stress Better Service to Grass-Roots Military Units"]

[Text] Beijing, 30 Mar (JIEFANGJUN BAO)—This evening the Central Military Commission and the three general departments of the PLA [People's Liberation Army] called the cadres at and above Army level who are representing the PLA at the Third Session of the Seventh National People's Congress to attend a "briefing on development of grass-roots units." Liu Huaqing, vice chairman of the Military Commission, and Yang Baibing, secretary general of the Military Commission and director of the General Political Department, attended the briefing and delivered important speeches. Also present at the briefing were members of the Military Commission Qin Jiwei, Chi Haotian, and Zhao Nanqi.

Yang Baibing emphasized in his speech: Surveys recently conducted by working groups from the three general departments of the PLA show that the present situation is good in the development of grass-roots organizations in the Army. A good job has been done, but it is also true that there are still some drawbacks. It is quite obvious that problems arising from grass-roots units themselves are not as serious as before, and the problems that grass-roots units are currently facing are largely due to leading organs' failure to maintain close ties with grass-roots units and work in a down-to-earth manner. For this reason, leading people and organs at all levels must earnestly improve their working style, heighten their sense of political responsibility, always show concern for the ranks, bear in mind the fighters' weal and woe, and sincerely serve grass-roots units and the fighters.

The briefing was held in Jingxi Guesthouse at 1900. Yu Yongbo, deputy director of the General Political Department, first gave a briefing on the findings of the surveys conducted by the working groups of the General Political Department among grass-roots units. Yu Yongbo said: In accordance with Document No. 3 of the CPC Central Committee and Document No. 2 of the Military Commission, the General Political Department selected more than 90 cadres from the headquarters to form 26

working groups after the last Spring Festival. These working groups spent more than a month staying with and conducting surveys at 63 grass-roots units stationed in remote areas where the living conditions are tough. After the working groups returned, the leading comrades of the General Political Department and the heads of all the immediately subordinate departments met and spent five days hearing the reports presented by these working groups, and analyzing the situation in development of all grass-roots units of the Army. Having enumerated remarkable successes and new progress achieved in the building of grass-roots units, Yu Yongbo especially mentioned problems existing in some grass-roots units by citing these units' names.

After that, Yang Baibing delivered a speech. He first of all noted that the overall situation is excellent in the building of grass-roots units. This conclusion is mainly supported by the following evidence: Political work has been further strengthened and the Army is under a highly centralized leadership; cadres and fighters have maintained a good mental attitude; there have been some encouraging changes in PLA units' tasks regarding education and training of fighters; war preparations and routine duties have been completed satisfactorily; and the ranks have displayed a very high degree of devotion spirit. New progress has been made in Army administration, and both the material and cultural life of grass-roots units have been improved. Yang Baibing then put forth some requirements, stressing improvement in leadership style and attaching greater importance to the grass-roots level. These requirements are related to four aspects—namely, the necessity of adopting and firmly adhering to the guideline of serving the grass-roots level, that of making great efforts to implement the "Program for Development of Grass-roots Organizations," that of administering the Army strictly according to rules and regulations, and that of attaching great importance to development of party committees and organs of brigades and regiments.

Yang Baibing said: Leading organs must serve the grass-roots level. We have emphasized this principle with our cadres at every level each year. But some leading organs have failed to implement this principle well enough. For example, such affairs as film shows, supply of drinking water, medical service, and bathing facilities have been talked about at all levels for many years. But such problems still remain unsolved in some units. Of course this can be attributed to some objective causes, such as shortage of funds, the special natural environment of the areas where those units are stationed, and so on. But, if we look into the subjective factors, we can see that some leading organs have failed to attach real importance to the grass-roots level, go down to grass-roots units, and work in real earnest. Some units have lavishly decorated their offices and reception rooms, but they just show no concern about the situation in some nearby grass-roots units, refusing to take any action to repair even a damaged rice cooker for them. All these problems can be

readily resolved if our leading organs show concern for the living conditions of the fighters and are willing to help grass-roots units.

Yang Baibing said: As pointed out by Comrade Xiaoping, leadership means service—it is the duty of leading comrades and organs at all levels to serve the Army, to serve grass-roots units, and to work in a down-to-earth manner to help solve practical problems. Yang Baibing emphasized: Now that we are implementing the "Decision on Strengthening Ties Between the Party and the Masses" adopted by the Sixth Plenary Session of the 13th CPC Central Committee and are ready to sincerely serve the grass-roots level, we must make special efforts to resolve three problems. First, we must ensure that companies are filled with enough officers and soldiers as required. No superior organs are allowed to arbitrarily transfer company personnel to work in other positions on a temporary basis. Second, priority must be given to grass-roots units regarding allocation of funds. It is necessary to do away with the practice of giving preferential treatment to leading organs which have been attended to well enough, and more attention must be paid to grass-roots units which are in difficulty. And third, we must make up our minds to resolve some practical problems for the soldiers, such as the supply of drinking water, bathing facilities, housing, and so on. Talking about these issues, Yang Baibing spoke with deep feeling: We always say that we must treat our soldiers like our children and brothers. It will be a dereliction of duty on our part if we continue to turn a blind eye to these problems and leave them unsolved. It will imply that we have not the least love for our soldiers. All units which have the above-mentioned problems should lose no time in dealing with them. This time the working groups have reported many cases. All the issues they have mentioned should and can be resolved by our major units, group armies, divisions, and regiments on their own. I hope our units at all levels can make an introspection. Do they have to play a part in resolving these problems? Have they ever done their duties? It will be unforgivable if a leading person, having been in charge of a unit for several years, still fails to resolve such problems as supply of drinking water and bathing facilities for soldiers.

Yang Baibing pointed out: The "Program for Development of grass-roots Organizations" has been officially released for implementation by all Army units. Our units at all levels must implement this program in real earnest. We do not expect any new ideas or measures but strict implementation of the program to the letter. Yang Baibing reiterated: All organs must cooperate with each other well to implement the program. Some departments have always emphasized their own important roles and placed undue stress on their own tasks, introducing too many trivial single-item assessments which have kept companies too busy. Yang Baibing pointed out: Some units do not have a correct understanding of the principle of "inspecting companies one by one," reckoning that "inspecting" means to assess companies one by one.

This oversimplified understanding and practice can only demoralize our organs, upset the work of companies, and interfere in the implementation of the program. In fact the principle of "inspection companies one by one" requires us to find out the real circumstances, discover problems, and resolve them in accordance with the criteria laid by the program. In brief, it requires us to help companies one by one, carry out one task after another, and thus ensure that every company will make progress. Yang Baibing pointed out: We must carefully study how to carry out the drive of "reaching the standards." Now some units have devoted much energy to trivial assessments. This method, which has few advantages but many disadvantages, must be modified.

Yang Baibing said: Our Army has made progress in improving work style and strengthening discipline over the past few years. However, some units have shown slackness in certain aspects, failing to exercise strict control and earnestly observe the system. To solve this problem, we must consolidate administration and resolutely observe rules and regulations. To be sure, we now have quite a few regulations and systems and have set forth clearly defined requirements. But all these regulations and systems must be properly implemented in real earnest. Some units spread over remote areas must particularly consolidate administration, strictly enforce discipline, and exercise highly centralized leadership.

Yang Baibing emphasized: The findings of the surveys conducted by the working groups show once again that the mental attitude and work style of party committees and organs at the brigade and regiment levels have an important bearing on the quality and progress of grass-roots units. For some units stationed in places where conditions are very poor, their grass-roots organizations have been operating very well since they have strong and efficient party committees. As long as leading bodies and organs at the brigade and regiment levels are well built, they can have good influence on others. In order to ensure that units at all levels, especially at the brigade and regiment levels, can spare enough time for the grass-roots level, it is necessary to thoroughly implement the principle of reducing the time spent on meetings and documents and to resolutely shift the focal point of work to the grass-roots level as well as implementation. Yang Baibing particularly emphasized that leading people and organs must be determined to resolve the problem regarding work style. We must not underestimate the importance of this problem, as it actually reflects our world outlook, our mental attitude, and our relations with the masses. For the sake of development of the Army, our leading people and organs must improve their work style substantially, he said.

Liu Huaqing delivered a speech to conclude the briefing. He said: There was a real need for the working groups to conduct the surveys at the grass-roots level this time. These were thorough investigations. At present the general situation is good in the development of the Army. As far as the grass-roots level is concerned, however, there are still quite a few problems that deserve close attention

by our leading people at all levels. It is true that the leading people of some units and some of the leading organs have not been sufficiently concerned about the actual difficulties at the grass-roots level and about the fighters' weal and woe. Although some measures have been worked out to help the grass-roots level in the past few years, it seems that some units have failed to properly implement them. Secretary General Yang Baibing has just contributed some very useful opinions on strengthening the grass-roots level and helping grass-roots units overcome actual difficulties. These opinions must be conscientiously followed. We must see that these measures are implemented by every unit, problems are resolved one by one, and improvement be made by a fixed date.

Also present at today's briefing were leading comrades from the three general departments of the PLA, the Military Commission, and the Discipline Inspection Commission, including Xu Xin, Han Huaizhi, He Qizong, Guo Linxiang, Zhou Keyu, Zhou Wenyuan, Liu Mingpu, and Li Lun; and the responsible comrades of all organs of the three PLA general departments.

Reasons Noted for Regularization of Armed Forces

*HK1504083890 Beijing JIEFANGJUN BAO in Chinese
30 Mar 90 p 3*

[Article by Chen Xianhua (7115 7359 5478): "Follow Laws Governing the Running of Armed Forces, Give Regular Guidance"]

[Text] "Laying stress on promoting the regularization of the Armed Forces" is a principle laid down by the Central Military Commission for the present work in the construction of the Armed Forces. This principle is in keeping with the objective needs in the development of our Armed Forces in the new period and with the basic laws governing the running of the Armed Forces. The modern Armed Forces constitute a machine with an extremely complicated structure. Without the guarantee of regularization, it is impossible to build a well-organized group which can maintain a strict sense of discipline, act in unison, and operate with facility. The special mission and functions of the Armed Forces also require that we maintain a high degree of stability and concentration and always maintain an orderly condition. No loose phenomenon must be allowed to exist in the Armed Forces. Facts have told us that revolutionarization, modernization, and regularization are three requirements that complement each other. If regularization is neglected, the process of revolutionarization and modernization will certainly be affected and the fighting capacity of the troops will be weakened.

Since the 1950's, our Army has continuously improved various rules and regulations and has attached importance to the enhancement of the cadres' leadership capability and management skills. We have accumulated rich experience in advancing the process of regularization in the prolonged practice. Although some changes have occurred in various aspects in the new period and

the Armed Forces have encountered some new conditions and new issues, it is certain that we still have the necessary conditions and a good foundation for furthering the process of regularization.

According to the conditions in our military units, a major task in the process of regularization is to regularize the work guidance of leaders and leading organs. That is to say, they should act strictly according to the established rules and regulations rather than going their own ways without regard to the established rules and regulations. They should not merely deal with the immediate issues and even lose their bearing, as the masses describe some cadres who "work hard in a bureaucratic manner and get exhausted like firemen."

Many contradictions and problems need to be solved in the construction of the Armed Forces, as they have to do a wide scope of work and carry out various tasks. The key to the proper management of a regiment, a division, or a group army lies in the thinking and behavior of the leaders and the leading organs in line with the regularity in the construction of the Armed Forces. Engels penetratingly pointed out: "Before necessity is realized, it is blind; and freedom is based on the knowledge about necessity." In the objective world, all things have their regularity. Only after realizing such regularity and bringing their thinking and action into line with it can people change their position from the realm of necessity to the realm of freedom.

It is said that in ancient times Emperor Yao once ordered a man called Gun to lead the people to fight floods. Gun first told the commoners to build high city walls and live inside the city, but the floods still destroyed the city walls and took away the people. After the failure, he organized the people to stop up the river, but after the people worked hard for nine years this scheme still failed to curb the floods. Then Emperor Shun ordered Gun's son, Yu, to be responsible for harnessing the river. After carrying out a comprehensive survey in the flooded area, Yu decided to dig canals through the mountains to channel the floodwater. As a result, the floodwater flowed smoothly to the sea according to man's wishes, and the river was eventually harnessed. This is a story well known to all people. However, leaders should take the story as a mirror and should contrast their work with the story and see whether they follow the objective regularity in guiding the work in the Armed Forces.

Regularity in the work of the military units is not mysterious at all, and we do not need to explore and seek such regularity bit by bit from the very beginning. The basic regularity in the running of the Armed Forces is reflected in the established rules, regulations, standards, outlines, and stipulations. So long as we earnestly study and master these things and actually act according to them, then we may achieve doubled results in understanding and mastering the regularity. For example, the general departments and headquarters have designed

and formulated the structure and stratification of various functional departments in a military unit.

When giving regular work guidance, we must be familiar with the established structure and the functions of various departments, and set strict demands on various departments at various levels to fully carry out their functions and fulfill their tasks. To manage the military units in this way, we will be able to maintain an orderly condition in our work in all fields and ensure the smooth operation of the military units. If a leader only has a sense of responsibility and work enthusiasm and does not follow the established work regulations, he may excessively or improperly interfere in the work of his subordinates and this will certainly disrupt the work order and affect the operation of the entire system. As another example, the basic foundations for guiding grass-roots work are the regulations and the "Outline for the Grass-roots Construction of the Armed Forces." As long as we act strictly according to the regulations and the outline, we will certainly be able to maintain a regular and orderly condition in the grass-roots units. Otherwise, if we act according to our own ideas and even lay down new rules, things will be in a muddle in the grass-roots units.

Of course, because the environment, the foundation, and the conditions vary from one unit to another, when we implement the general principles we should consider the actual and special conditions of our own units and not mechanically follow the general regularity. Thus, we should fully apply the world view and methodology of Marxism, proceed from the reality of our own units, and actively create a set of concrete practice rules that are in keeping with the general principles and also bear the special characteristics of our own units.

To give regular guidance, we must continuously improve our method of thinking and work method. First, we should straighten out the starting point and the purpose of our leadership work. To assess the work achievements of a unit, we should not merely see how many meetings are held, how many documents are issued, how many experiences are summed up, and how many materials are reported to the upper leading organs in a certain period. Instead, we should inspect the comprehensive results of the work in a unit and make comprehensive assessment of the actual results in all fields with focus on military training. In the process of inspection and assessment, we should particularly see whether the work guidance given by the leaders and leading organs of a subordinate unit is in keeping with the regulations and how high the rate of correctness is. This will prompt leaders and leading organs to reduce their window-dressing practices and do solid work and seek solid results through giving regular guidance. Second, in order to cultivate the habit of giving regular guidance, we should make breakthroughs in the central link. In peacetime, the central task for the troops is military training. Generally speaking, regular guidance should start from the establishing and maintaining a regular order in military training, and this will effectively bring along and promote the regularization in

other fields. Therefore, leaders and leading organs should pay special attention to strengthening regular guidance to military training. That is, they should organize and guide military training strictly according to all relevant rules, regulations, outlines, and standards, ensure the fulfillment of the training programs, give awards and penalties according to the examination results, and consciously expand such work method to other fields. In addition, when giving regular guidance, we should pay special attention to the fulfillment of the management and control measures. As we know, to maintain good traffic order in a city, we not only need a set of traffic rules, but must also rely on a team of well-trained police force to execute effective control. Similarly, to establish and maintain a regular order in the work of the military units, we also need to rely on some scientific and strict control means. For the units below the group army level, they should mainly follow the rules and regulations and formulate their concrete management and supervisory systems in light of the concrete conditions of various units, and should consistently pursue these systems without relaxing the efforts in this respect.

In short, only by following the regularity in the running of the Armed Forces and giving regular guidance can leaders and leading organs free themselves from the shackles of routinism and devote more energy and time to consider the major issues and handle the work that leaders should fulfill. This will certainly quicken the pace of regularization in our military units and will promote our work in all fields.

Military Commission Honors Nanjing Region Leader
OW1304025290 Beijing Television Service in Mandarin
1400 GMT 19 Mar 90

[From the "Night News" program]

[Text] [Video opens with a long shot of a conference hall filled with people in uniform. A banner hanging above the stage reads: "The Naming Ceremony Conferring the Honorable Title of 'Model Regiment Political Commissar' on Comrade Yang Chongyuan From the Central Military Commission."] A naming ceremony was held on 17 March in the Nanjing Military Region to confer the honorable title of model regiment political commissar from the Central Military Commission on Comrade Yang Chongyuan. General He Shouzhi, commander of the Nanjing Military Region, acting on the order of the Central Military Commission, read the decree signed by Jiang Zemin, chairman of the Central Military Commission. The general presented the Class I Model Hero medal and certificate to (Li Mingying), wife of Comrade Yang Chongyuan. [Video cuts to shots of He Shouzhi reading the decree and presenting the medal to (Li). Video then cuts to closeups of the medal and certificate.]

[Video cuts to a closeup of a black and white photograph of Yang in uniform and three other photographs of same person.] Comrade Yang Chongyuan was formerly the

political commissar of an artillery regiment of the Nanjing Military Region. Loyal and devoted to the cause of the party and very conscientious in his work, he contributed to the improvement of his unit. Cadres and soldiers alike hailed him as military (?Jiao Yulu).

[Video cuts back to the conference hall with more shots of other officers and Yang's wife reading documents, alternating with shots of audience including one shot of Yang's family members.] The party committee of the Nanjing Military Region called on all officers and men in the region to model themselves on Comrade Yang Chongyuan and emulate his revolutionary spirit of selfless devotion to national defense, his dedication to work, his indomitable fighting spirit, his adherence to principles, and his clean and honest style.

Economic & Agricultural

Commentator Views Joint Venture Law, Opening Up
HK1604062090 Beijing RENMIN RIBAO in Chinese
8 Apr 90 p 1

[Commentator's article: "Heading for Further Opening Up"]

[Text] The "Amendment of the Law on Sino-Foreign Joint Ventures," which is drawing the attention of the people in the country and abroad, has been approved by the Third Session of the Seventh National People's Congress. This suggests that China will continue to resolutely implement its basic state policy of opening up to the world and welcome foreign investors to make investments in China, and that it is improving its investment environment and will further provide legal protection for foreign investors on the basis of equality and mutual benefit.

The Law on Sino-Foreign Joint Ventures appeared in 1979. It is the first law formulated since the founding of the PRC to attract foreign investments, and also the first foreign-related law since the country was opened to the outside world. It plays an effective role in promoting China's introduction of foreign capital and serves as a symbol of opening up to the world.

Since the announcement of the law, joint ventures in China had developed from zero to 12,000 by the end of 1989, accounting for 56 percent of foreign-invested enterprises; the investment amount negotiated for these joint ventures was \$12.5 billion, 37 percent of the total negotiated investments from foreign businessmen; the actual investment amount was \$7.3 billion, 47 percent of the total investment amount. Investors came from 47 countries and regions. Through 10 years of practice, the Chinese and foreign sides have accumulated useful experiences in how to run joint ventures well. The amendment bill recently approved was the result of a necessary revision on the original practice through full discussion by soliciting opinions from various sides, including

foreign investors. This amendment bill provides a wider scope of opening up and more preferential terms for foreign investments.

This amendment bill has set a principle that respects international practice, protects the legitimate rights and interests of foreign investors, and provides a fine environment for the continuous expansion of joint ventures in China. This amendment bill has made seven additions and changes to the 1979 joint venture law. The following three points are among those added and revised: 1) It has been made clear that joint ventures will not be nationalized. 2) Some joint ventures engaged in certain trades will not have time limits for operation. 3) The post of chairman of the board of a joint venture can be assumed by a foreign investor.

Respecting international practice is very important. This amendment bill has taken account of the relevant legislation in many countries, so as to adapt the joint venture law to international practice after its revision. This is important to strengthening foreign investors' confidence and to encouraging them to invest boldly, to operate with ease of mind, and to develop freely. In the past, the board chairman of a joint venture could only be assumed by the Chinese side. This does not correspond to the international practice on the assumption of a board director according to the ratio of capital invested, nor is it favorable to protecting the legitimate rights and interests of investors. Therefore it must be amended.

Some comrades are worried that the amendment bill on the joint venture law is too loose in not nationalizing joint ventures and in allowing joint ventures engaged in certain trades to operate without time limits and that this could be unfavorable to protecting state rights and interests and national industries. The answer is, of course, negative. Sino-foreign joint ventures are Chinese legal entities set up in Chinese territory. All their operational activities proceed within the framework of Chinese law, therefore there is no question of harming state sovereignty. Allowing joint ventures to operate according to international practice does not mean giving up state guidance, supervision, and control, nor does it mean denying state guidance and plans. This state guidance and plans appear in the form of state industrial policy and investment instructions, therefore national industries will remain unharmed.

The amendment bill on the joint venture law gives expression to China's policy of opening up to the world, will make China's investment environment more attractive to foreign investors, and will produce a good impact on the country's economic construction and modernization. A developing socialist country, China is short of funds, its technology is backward, and its managerial experience is inadequate. The country can make up for these shortcomings by introducing foreign capital, and take off by using foreign capital. At the end of 1989 actual foreign investments in China amounted to \$15.4 billion; joint ventures, Sino-foreign cooperative enterprises, and foreign wholly owned enterprises totaled over

20,000, with an annual foreign exchange income of \$3.59 billion. These joint ventures and enterprises provided employment for more than 1 million people, trained a number of technological and managerial personnel, increased state taxation, and strengthened the country's economy. Further implementing the policy of opening up and introducing foreign capital to China will benefit the country, the people, and investors.

Reviewing the past, looking into the future, and taking stock of the world, we can proudly say that foreign businessmen will have bright prospects for their investments in China because the country, under the leadership of the CPC, has a stable political situation, an effective policy of reform and opening up to the world enjoyed by the 1.1 billion people, a constantly improving fine investment environment, rich labor resources, and a potential, fast-growing, and extensive market.

Foreign-Funded Enterprise Seminars Planned

HK1104032890 Beijing CHINA DAILY in English
11 Apr 90 p 2

[By staff reporter]

[Text] The first round of an "experiences-swapping" seminar was initiated yesterday, aimed at helping thousands of foreign-funded enterprises to flourish in the country.

Zhang Wenzhong, deputy general manager of the Beijing Matsushita Colour CRT Company, took the floor yesterday, giving a two-hour speech to more than a hundred representatives from the foreign-funded enterprises on how his company has met international standards.

Wei Yuming, chairman of China Association of Enterprises with Foreign Investment, said that his organization will organize a series of such sessions to invite representatives from well-managed joint ventures to tell their success stories.

"We will first begin such sessions in Beijing and then spread them across the country," Wei said.

The conference was co-organized by the China Association of Enterprises with Foreign Investment and its Beijing branch.

Wei said that up to date more than 21,766 foreign-funded enterprises have been established in China, and more than 10,000 foreign-funded enterprises have become operational.

Total Imports, Exports for March Announced

HK1704154790 Beijing CEI Database in English
17 Apr 90

[All figures as received]

[Text] Beijing (CEI)—Following is a list of the total value of China's foreign trade in March 1990 released by General Administration of Customs.

	Mar.	Mar. 1989	incr. Over 1989(p/c)
(Unit: U.S. \$100 million)			
Total	85.77	89.35	-3.99
Export	46.92	39.35	19.24
Import	38.85	49.99	-22.28
Balance	8.07	-10.64	

Economists Try To Regain Important Role

HK1104020090 Hong Kong HONGKONG STANDARD
in English 11 Apr 90 p 7

[By Lo Dic]

[Text] Economists are trying to regain the influential role they had in Beijing before last summers' political turmoil.

They have organised a conference for late this month to assess China's economic situation and, more importantly, to draw up advice to the leadership on economic development and further reforms.

Dai Yuanchen, director of the Economic Research Institute of the Chinese Academy of Social Sciences, said yesterday the conference would discuss whether a slight rebound in China's industrial performance last month signalled an end to the stagnation prevailing since last September. They would also debate whether it implied that the country was solving its economic crisis.

The various economic think tanks have lost much of their influence over the government since last June and the State Council has almost totally relied on its own research office when working out economic policies.

Mr Dai is among a group of economists strongly in favour of further reform. The group is drawn mainly from the Academy of Social Sciences and is led by Liu Guoguang.

These economists have been urging reforms to correct serious imbalances in the economic structure.

Mr Dai said that although the slight pickup in industrial performance last month may signal an end to stagnation, imbalances in the economy had not been tackled. This meant economic efficiency could only continue to deteriorate.

And with such an imbalanced economy, the government's move to expand credit would probably lead to an injection of too much working capital to over-expanded processing industries, thus hampering economic efficiency.

Mr Dai urged further reform, especially price reform.

He said he had recently visited the Soviet Union, whose economic problems seemed similar to China's.

Minister Calls for End to Local Protectionism

OW1304041990 Beijing XINHUA Domestic Service
in Chinese 1031 GMT 10 Apr 90

[By reporter Chen Yun (7115 5366) and correspondent Zhang Guimin (1728 3370 2404)]

[Text] Beijing, 10 April (XINHUA)—The managers of Beijing Municipal Department Store and Longfu Building spoke to reporters about a recent meeting on market research. They said Mayor Chen Xitong indicated that Beijing will not practice local protectionism and that commerce departments should insist on not procuring inferior and expensive goods made by municipal light industrial enterprises.

When the Minister of Commerce Hu Ping heard about this, he praised Beijing Municipality's "wise act." He said: There has been insistence on buying local products regardless of whether they are good or bad, expensive or cheap. Sales of better quality products from the outside are either prohibited or restricted. This is the present tendency in many localities of China. This kind of local protectionism has become a major obstacle in our efforts to improve the economic environment, rectify economic order, and stimulate the market. The Beijing Municipal Government's suggestion not to engage in local protectionism will help adjust product mix and encourage industrial departments to produce more saleable, cheap, and good products to satisfy the needs of consumers from all strata of society. We can only overcome the difficulties of a sluggish market by eliminating inferior products.

According to sources, many localities have taken some "tough" measures to protect local products since the beginning of this year. Some localities stipulate that a portion of the regional price disparity of colored televisions purchased from outside be turned over to local coffers. Some issue orders to commercial enterprises, stipulating the amount of local products that must be sold each month. Others specify that additional loans must be used only to purchase local goods and not repay debts. Some localities have designated over 100 kinds of products that must not be imported from outside.

In this connection, Minister of Commerce Hu Ping said: The market at present is sluggish and many industrial enterprises are experiencing great difficulties. The protectionist measures adopted by some localities may help ease their difficulties temporarily. But in fact this will only lead to protection of backward enterprises. They not only cornered the market, but also blocked circulation. This made it impossible for enterprises to upgrade. In the end, they are only harming themselves. He expressed the hope that all localities will do away with protectionism and instead try to open up new markets during the drive to improve the economic environment, and rectify economic order.

Commentator Urges Stronger Auditing Supervision

HK1204110090 Beijing RENMIN RIBAO in Chinese
5 Apr 90 p 5

[Commentator's article: "Establish the Authority of Auditing Supervision"]

[Text] Exercising auditing supervision over state funds and relevant economic activities is an integral part of the work of safeguarding financial and economic discipline, establishing macroeconomic control and regulation system, and strengthening the building of the state power.

In China, auditing has played a very important role in economic development, in improvement and rectification, and in deepening the reform, though it is still at its initial stage of development. Since they were set up six years ago, the auditing organs have audited 740,000 units and discovered, punished, or redressed numerous cases in violation of financial and economic discipline, adding 11.5 billion yuan to the state revenue. Particularly in the course of improvement and rectification, in coordination with the work to sort out fixed assets projects under construction, auditing organs at all levels traced 16,000 projects suspended or delayed. As a result, a large number of projects were instructed to be suspended or delayed and some unlisted "shadow projects" ferreted out, thus playing a promoting role in reducing the scale of investment in fixed assets. In coordination with the work to screen and rectify companies, they also audited several large companies and made public the results, evoking positive reactions in society. Meanwhile, they also ran regular audits on the financial expenditure of administrative organs on an extensive scale and ferreted out cases of, and punished personnel involved in, diversion of earmarked funds, giving dinners or sending gifts, issuing money or material objects recklessly, arbitrary fining, and the like. All this has contributed to the building of honest and clean conduct in government departments.

Premier Li Peng recently pointed out that auditing is a high-level supervisory sector. In improvement and rectification and in deepening the reform, we must further strengthen supervision through auditing and establish its authority. Carrying out improvement and rectification, cutting aggregate social demand, readjusting the production structure, and raising economic returns—all these have direct bearing on the distribution, management, and use of state funds. We are still having numerous problems in these respects and some of them are very serious. For instance, some localities or units retain or conceal the revenues that should go to the state, divert earmarked funds, expand the scope of construction without authorization, or squander state property. Strict auditing supervision ensures the smooth operation of key links in the economic activities and the implementation of various measures for improvement and rectification. This will contribute to economic stability and prosperity, as well as the building of an honest and clean government.

To establish the authority of auditing supervision, it is first necessary to get the attention and support from governments at all levels. At present, auditing supervision should focus on financial, taxation, monetary, and other comprehensive economic departments of the governments at all levels. These departments are responsible for the macroscopic management of state finance and credit funds. Whether or not they can rigorously enforce financial and tax regulations, present honest final accounts, reach balance of revenue and expenditure, and extend special funds in strict accordance with the state policies will directly influence the realization of profits from the used funds and the sustained, steady, and coordinated development of the national economy. Unrigorous financial and economic system and lax discipline in these departments will not only severely disrupt normal economic order but also lead to corruption, dishonoring the party and the government. Therefore, governments at all levels should support auditing organs in exercising their duties and urge financial, taxation, and monetary departments to act in conformity with financial and economic discipline in an exemplary way. They should never make things hard for, or interfere with the work of, auditing organs in the interest of their localities or departments.

Second, on the basis of summing up their past experiences, auditing organs at all levels should expand their sphere of auditing, improve their art of auditing, and strictly enforce the law. At present, the chief problem in auditing is leniency toward violations of financial and economic laws and discipline; some cases are simply cast aside unsettled. There should be some "rigidity" in auditing supervision, which should rise above all interference and be carried out in strict accordance with the "Auditing Regulations" promulgated by the State Council. All violations of the state financial and economic laws and discipline should be brought to justice: Confiscate whatever should be confiscated; fine whoever deserves the fine; and transfer serious cases to supervisory or judicial organs for administrative or criminal sanctions. No mollicoddling should ever be practiced.

Third, the building of auditing organizations should be well conducted. He who cheats corrects no one. Cadres engaged in auditing should have a fine working style and be just and honest in performing their duties, instead of seeking personal gains with the power they are vested with and consequently discrediting themselves. Today, our country has a contingent of more than 50,000 auditing workers. Along with further replenishment, their political and professional quality should be upgraded at the fastest pace possible. With an army of auditing workers who are firm in their political stand, devoted to their cause, and just and honest in their work, auditing supervision will play a greater role in improvement and rectification and in deepening the reform.

Article Stresses Structural Adjustment

HK0604013290 Beijing RENMIN RIBAO in Chinese
26 Mar 90 p 6

[Article by Wei Jie (7614 2638) and Zhang Yu (1728 1342): "Do a Good Job of Restructuring, Promote Economic Improvement and Rectification"]

[Text] Characteristics and Causes of the Disproportion in Our Country's Economic Structure

At present, while restraining the overgrowth of gross demand through pursuing a retrenchment policy, we must also more effectively adjust the economic structure. This is a link that is important for the success of the economic improvement and rectification. This is because the disproportion in our economic structure is a major cause of the overgrowth of gross demand, and the adjustment of the economic structure is a major way to check the overgrowth of gross demand. If we try to check the growth of gross demand without making any structural adjustment, it will be hard for us to further cut down on gross demand and guarantee the appropriate increase in effective supply, and this may lead to a standstill in economic development and cause production recession.

At present, the disproportion in our country's economic structure is mainly reflected in the following facts:

1) The development of such basic industrial departments as agriculture, the energy industry, raw material production, and transportation lagged far behind the development of the processing and manufacturing industry. 2) Production organizations are too widely scattered. On the one hand, small enterprises increased excessively in number and lacked necessary concentration and scale economy; on the other hand, production structures in various localities tended to be the same, with stress all being laid on the development of the more lucrative processing and manufacturing industries. 3) The adjustment of the production structure made slow progress, and the efficiency was low. It was hard to transfer productive factors from departments whose products were oversupplied to departments whose products were in short supply. Thus, the structural contradictions became sharper and prevented rational distribution of resources.

How should we solve the disproportion of the production structure? To resolve this question, we should first analyze the fundamental reasons for the disproportion of the production structure.

The current disproportion in the production structure is related to errors in macroeconomic policies and lack of explicit and effective industrial policies. However, fundamentally speaking, the disproportion in the production structure in our country is a structural problem and

an inevitable outcome of the reform process characterized by the measures for expanding enterprise management powers and leaving more profits in the hands of the enterprises. Concretely speaking, the main reasons are as follows:

First, the price structure was seriously distorted with the prices of basic industrial products being too low. This prevented the basic industries from developing normally and also stimulated the irrational overgrowth of the processing and manufacturing industries. The unreasonable price structure constituted a serious obstacle to rationalization of the production structure and prevented the state's industrial policies from being correctly implemented.

Second, the distribution structure of the national income was disproportionate, and the structure of consumption demand was seriously tilted. In the last few years, the distribution structure of our national income has been tilted more and more to the side of urban and rural residents, and the share held by the state has declined sharply. Under the present economic structure, the rapidly increasing income of individuals can hardly enter the realm of production again and will eventually pour into the realm of consumption and be especially concentrated on the purchase of durable consumer goods. This has caused the lopsided and abnormal overgrowth of the manufacturing industries that produced durable consumer goods and the related processing industries and has led to an imbalance of the overall industrial structure.

Third, since reform began, on the one hand, localities, enterprises, and various economic entities have obtained a strong interest incentive and independent economic powers; on the other hand, there were still no effective property and market constraints. This brought about a strongly short-sighted tendency in the income distribution of various productive units and nonproductive institutions in order to maximize individual incomes. This tendency continuously stimulated the expansion of consumption demand. The excessive consumption demand in turn stimulated the rapid expansion of the industrial departments that produce consumer goods, while the basic industries were simply neglected and were bogged down in the predicament caused by the shortage of funds and the unreasonable price structure. The industrial structure thus became unbalanced.

Fourth, the reform measures that gave more management powers and left more profits to enterprises have continuously increased the proportion of the national income being held by localities and enterprises, while the accumulating and investment capacity of the central government has kept decreasing. When the central government's control was weakened, localities and enterprises also lacked the motivation for long-term development and bore no responsibility for maintaining overall economic stability and coordinating overall economic

development. Being driven by the profit-seeking incentive, localities and enterprises tended to develop small-scale processing industries which could yield high returns in a short period and invest in more lucrative service trades. This resulted in duplicate construction and irrational investment and aggravated the lopsided industrial structure and the degree of being scattered in production organizations, thus worsening the structural contradictions.

Fifth, the present state-owned economy lacked a perfect system for the movement of the productive factors, and it was very difficult to adjust the storage of assets and to transfer resources. Such an unwieldy structure often caused a situation in which the products of some departments were oversupplied while the products of other departments were in short supply; and some advanced enterprises and industries could not develop, while a large number of backward enterprises and industries still existed. As a result, in some fields there was a serious shortage of resources; while in other fields, large quantities of resources lay idle. This seriously obstructed the speed of the structural adjustment and aggravated the structural disproportion.

Measures for Adjusting the Economic Structure

To solve the serious disproportion in the economic structure, we must formulate scientific industrial policies in light of the needs in the long-term development of the national economy, select the correct priority sequence for the development of various industries, adopt the correct principle for production organizations and the effective means of regulating production, and strengthen the position of the structure policy in the overall economic policies. However, without certain institutional guarantees, it will still be difficult to actually implement the industrial policies, even though they are scientific and rational. Domestic and foreign economic development experiences all show that the economic structure that is favorable to rationalization of the production structure is not a purely centralist administrative-style structure nor a purely laissez-faire market structure, but a mixed structure that combines planning control with market regulation. Under this structure, the government will have strong macroeconomic control capacity and can guarantee the development of the basic industries, give guidance to the developmental orientation of the production structure, and promote effective economic growth through directly employing such economic levers as investment, credit offering, taxation, and exchange rate adjustments. At the same time, the enterprises will also be able to select their production orientation within a certain scope and transfer the productive factors according to the state's industrial policies and under the influence of the conditions of supply and demand, business competition, and prices. Thus, the adjustment of the production structure will become more efficient and more flexible. This will be a structure for adjusting industrial production with highly efficient governmental control being combined with effective market regulation. As compared with such an ideal

structure, the present conditions in our country are marked by the lack of effective governmental control as well as effective market regulation. The economic structure was thus changed into a certain type of disorderly condition. Therefore, in order to rationalize the production structure, two fundamental changes must be made in our country's economic structure: First, the central government's macroeconomic control capacity must actually be strengthened; and second, it is necessary to make full use of the regulatory role of the market mechanisms.

At present, we are giving stress to strengthening the central government's macroeconomic control capacity, and this is aimed at dealing with the disorderly condition of regional economic blockade and division. To strengthen the central government's macroeconomic control capacity, structural adjustments must be made in the following fields: 1) Rebuilding proper relations between the central governments and the localities, gradually separating the state's economic management function from the local government's function for managing local public works, and reducing the dependence of the local planning, finance, banking, and foreign trade departments on the local governments. At the same time, the unified management and guidance of the central government over these local economic departments should be strengthened, thus fundamentally weakening the localities' ability to start construction projects in an irrational way and to excessively expand local interests. 2) Gradually improving and reforming the present finance contract system, gradually rationalizing the distribution of tax revenue between the central and local governments, raising the proportion of the central government's financial revenue in the entire financial revenue, and stabilizing the distribution relations between the central and local governments. 3) Strengthening the coordination of various economic departments of the central government in the course of exercising macroeconomic control; coordinating and unifying the actions of the planning, finance, banking, and price control departments in the course of implementing the industrial policies; and maximizing the effects of the industrial policies. 4) Increasing the Central Bank's role in guiding the urban and rural residents to use their individual incomes so as to attract more money from individuals to the investment activities beneficial to the development of the industrial departments whose products are in short supply, thus ensuring the well-coordinated development of the production structure.

In order to overcome the current serious disproportion in the production structure as soon as possible, we should take necessary administrative means to check the overgrowth of the production of the oversupplied goods and the enterprises with poor economic results. At the same time, it is necessary to provide more manpower, materials, and financial resources through direct investment and various administrative means to support the development of agriculture, transportation, energy and raw material production, and other basic industries.

However, we should also notice that if we merely rely on administrative means for making economic adjustment, we will only mitigate the serious structural contradictions and will not thoroughly solve the problem of structural disproportion. The economic structure in our country has undergone great changes. Market regulation has played an indispensable and irreplaceable role in the distribution of resources. Therefore, we cannot merely rely on administrative regulation in dealing with the structural disproportion; instead, we must also make use of the market mechanisms for this purpose in a planned way.

At present, in the course of making use of the market mechanisms for the purpose of economic regulation, we should give consideration to certain appropriate price adjustments at the opportune moment. This is because, first, the present seriously distorted price structure has disturbed the normal competition order and exchanges at equal value, has affected the accuracy of the price signals, has caused problems in the distribution of resources, and has seriously hindered the adjustment of the production structure. On the other hand, with the implementation of the retrenchment policy, the market environment is getting more relaxed in some aspects, and the role of the supply-demand relationship, prices, and business competition is becoming more obvious. This provides favorable conditions for adjusting the price structure. Of course, adjustment of the price structure will produce complicated influences. Therefore, we must make the necessary preparations and adopt a series of support measures in order to achieve the expected results.

Article Analyzes Economic Situation

HK0904063690 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 29 Mar 90 p 3

[Article by Xiu Peisheng (0208 1014 3932): "How China's Present Economic Situation Should Be Appraised"]

[Text] How is China faring in economic terms? This is a question that has aroused domestic and overseas concern. Some economists, after having conducted a comprehensive analysis, have arrived at the following conclusion: China's economy is extricating itself from dire straits and is maintaining steady development.

The year 1989 was very unusual in the history of China's economic development and economic reform. With the joint effort of the whole country, administration and rectification basically achieved their objectives, and the situation was even more favorable than expected.

Because of certain problems that had accumulated over the years, a great many difficulties that had remained hidden in the Chinese economy for a long time manifested themselves in 1989.

Throughout these years, overall demand has exceeded overall supply. Our existing strength and productivity

are incapable of supporting unduly large constructions. Our economic structure is an irrational one, and the disproportion between the industrial and agricultural sectors has become more conspicuous than ever. In the process of decentralization, control at the macro level has not been correspondingly reinforced. As a result, capital, resources, and foreign exchange have been too widely scattered.

In such a situation, administration and rectification are a phase in further economic development that must not be overlooked. The success or failure of administration and rectification is determined by overall factors such as whether or not the economy can develop steadily, and whether or not social stability will prevail. Of course, China's image in international circles also has something to do with it. Administration and rectification can be summed up into the following four phrases: "The control of demand, the adjustment of the economic structure, the rectification of order, and the enhancement of beneficial results." These four phrases have been realized in the present six major objectives. Of the six major objectives, one foremost concern is to lower the inflation rate to below 10 percent, to reverse the currency over-issue situation, and to reduce the fiscal deficit gradually.

Various facts have indicated that after more than a year of hard work, apparent results have been achieved in administration and rectification. First, the problem of supply being exceeded by demand is heading towards alleviation, and inflation, which seriously interferes with economic development, has been contained. In 1989, there was a total of 400 billion yuan's worth of investments in fixed social assets, which represented a drop of nearly 50 billion yuan when compared to the previous year. After deducting the price rise factor, the scale of compressed reduction was even more extensive. The over-quick growth in consumer funds was curbed. The overheated economy of the last few years cooled off. The chaos in the domain of circulation was initially sorted out. Compared to the previous year, the overall level of retail prices rose by 17.8 percent. The rate of price increase was slightly lower than that of the previous year, and the upward trend weakened month by month. The masses were basically rid of their anxiety over inflation pressures. China's present economy is marked by an abundant supply of commodities and a stable market.

Second, the good start in the adjustment of the economic structure has been indicated by the following three aspects. 1) The serious lack of coordination between agricultural and industrial development has somewhat improved. From 1985 to 1988 the annual average growth rate of the processing industry was above 17.8 percent, but the annual average growth rate of agricultural production was only four percent. Industrial growth was suppressed in 1989. Total industrial output increased by eight percent against the previous year, while a 3.3 percent growth was still recorded in total agricultural output, which, in turn, signified a reduction in the lack of coordination by a considerable degree. 2) There was a change in the tilt of light industrial production toward

high-priced consumer durables. 3) There was an apparent increase in production in basic sectors of the heavy industry. There are some interesting figures here. Even in the process of administration and rectification, the energy and raw material industries registered growth rates of 7.4 percent and 7 percent respectively. Although the growth rates did drop a little, their rate of decrease was much lower than that of the production industry. The relative strengthening of agriculture and basic industries will serve the purpose of accelerating economic development for China, a country with a relative weak economic foundation. Furthermore, it will also enable the national economy to develop in a continuous and steady manner.

Third, the national economy has maintained an appropriate growth rate, and effective supply is increasing. China's total exports and imports, which came to 111.6 billion U.S. dollars, represented an 8.6-percent growth against the previous year. Our exports, worth 52.5 billion U.S. dollars, ranked 12th in the world.

Earlier, there had been a multitude of opinions, both positive and negative, on China's current economic situation. Of those who expressed negative comments, there were some who did not understand the actual circumstances and therefore based their opinions upon a certain degree of speculation. With the passage of time, however, many people have changed their views. The aforesaid analysis will enable more people to understand the positive aspects of China's economy. They will get the following impression: After administration and rectification, China has stabilized its economy, its confidence, and the general situation.

Of course, new problems, such as the sluggishness of the market, and the temporary suspension of work in certain factories in anticipation of new projects, are bound to occur in the solution of old problems. Through the people's perseverance and determination in 1990, the various assignments of administration and rectification will be completed, and better results will be achieved in the construction of the national economy.

Zou Jiahua Wants Action on Enterprise Defaults

OW0904065190 Beijing XINHUA in English
0247 GMT 9 Apr 90

[Text] Beijing, April 9 (XINHUA)—Chinese State Councilor Zou Jiahua has called for quick action by local governments to deal with defaults by industrial enterprises.

Zou, who is also in charge of the State Planning Commission, at a State Council meeting yesterday, said defaults by industrial enterprises have become a serious problem.

Today's "PEOPLE'S DAILY" reported that defaults now total 100 billion yuan (about 20 billion U.S. dollars) and affect most of the country's industrial enterprises.

Zou said the defaults are a reflection of China's economic problems.

Li Guixian, a state councilor and president of the People's Bank of China, said it is unrealistic for enterprises to expect to rely on state revenue and bank loans to solve the problem. He said the bank will issue only a limited number of loans.

Li urged enterprises to deal with the defaults by themselves.

Aid for Ailing Enterprises Spelled Out

HK1204032790 Beijing CHINA DAILY in English
12 Apr 90 p 4

[By Zhou Hongqi]

[Text] China is making a determined effort to help enterprises which have stopped production and to find new jobs for the redundant workers.

There is no denying that the austerity policy, which has proved effective in cooling down the country's overheated economy and suppressing excessive social demand, has resulted in some temporary difficulties.

A sluggish market which has resulted in the stockpiling of products combined with the tight money supply and the shortage of energy and raw materials have made some of the less competitive enterprises stop production or slow it down.

These enterprises are mainly at the country level and are township-owned.

Their workers have been laid off and wait at home for work to resume, living on lower salaries or temporary subsidies.

The State Administration for Industry and Commerce revealed that by the end of last year, the country's industrial and commercial enterprises had dropped by 8.2 percent from the 1988 figure to 5.06 million. The number of employees also dropped by 2.9 percent to 176 million.

Measures have been taken throughout the country to help enterprises resume production and create employment opportunities for their workers.

In Shanghai, the municipal government has collected funds to assist its 800-plus partially or completely closed down factories in restructuring their production.

Jiading County in East China's Zhejiang Province provides counter-measures for what has to be done after the county-level and township enterprises are closed down.

According to an article by Shao Xinfu and Zhou Shangyou in this year's third edition of the monthly magazine China's Economic Structure Reform, the assets of these enterprises have been properly cleared up, protected and reutilized.

The county encouraged the well-managed enterprises to be cooperative, either by taking on the workers of the enterprises which had closed down or by helping these enterprises to restart production.

It is necessary for the unsuccessful enterprises to readjust their product mix and to manufacture more marketable products in order to extricate themselves from their difficult position.

Of course, the recovery of these enterprises needs support from the State in terms of policies and funds. But self-salvation would be a more positive redemption.

These enterprises should improve their internal management and raise the standard of their workers and managers in order to instill vitality and a spirit of competition.

The attitude, morale and quality of managers is vital to the success or failure of enterprises during this difficult period, Xu Tie wrote in the Beijing-based CHINA YOUTH NEWS on March 26.

A survey was recently conducted in Jinzhou, an industrial city in Northeast China's Liaoning Province, among the managers of 18 enterprises which have stopped production or slowed it down.

The survey showed that most of them were determined to overcome the current difficulties. This indicated the good spirits of the majority of managers, Xu Tie concluded.

According to the survey, managers felt it was imperative to accomplish the following four major tasks:

- To develop new products and meet market demand.
- To fully utilize and save funds, energy and raw materials.
- To improve product quality, promote sales and get the market going.
- To mobilize workers to do the best possible job and contribute to this by suggesting ways to revitalize their enterprises.

Writing in Workers' Daily on March 24, Zhang Ruiying, vice-chairman of the All-China Federation of Trade Unions, advocated annexing the loss-making enterprises to others rather than closing them down.

Workers in these enterprises could thus be transferred to the surviving or thriving enterprises or to those lacking sufficient labourers, Zhang said.

One way to strengthen management over workers and raise their sense of responsibility for their enterprises is to take advantage of this special period as an opportunity for staff training.

Improving the qualities of workers would be a good way to prepare for a comeback. Zhang called on trade unions

to arrange mutual aid and co-operative activities among workers to resolve the problems confronting both workers and enterprises.

Every means should be taken to create job opportunities, for instance self-employment by workers starting their own businesses, Zhang said.

Spark Plan Successful in Developing Rural Economy

OW0604124590 Beijing XINHUA in English
1214 GMT 6 Apr 90

[Text] Beijing, April 6 (XINHUA)—Since the state's "Spark" plan to promote China's rural economy began in 1986, some 10,346 projects have been completed, producing a total output of 22 billion yuan and a total profit of 5.5 billion yuan.

According to an official from the State Science and Technology Commission, the Spark plan, organized by the commission, is geared to the integrated development of rural resources.

Many enterprises, including those in animal husbandry, the aquatics industry, precious furs, edible fungus, soft drinks, fruits, and medicines, have an annual output value of over 100 million yuan each, he said.

According to the official, 4,993 projects of the plan were completed in 1989, nearly one half of the total amount since 1986. Last year also saw an extra output of 8,200 million yuan-worth, and an export value of 740 million U.S. dollars due to the plan.

Despite various economic difficulties in 1989, investment in the Spark plan from the state, local governments, banks and enterprises reached 3,760 million yuan, slightly more than in 1988, and the projects set up by the local governments increased by 646 over 1988.

So far, the Spark plan has provided over 200 items of technological equipment suitable for the rural areas and has trained 5.12 million farmers in technology and management.

The products developed by the Spark plan meet market needs. At a trade fair featuring these products held in Hangzhou last November, the volume of business hit 2,000 million yuan. At an exhibition of Chinese products held in Singapore recently, the 350 Spark plan products produced 61 million U.S. dollars-worth of business, 90 percent of the total.

Now, the plan has begun to apply high technology to the rural economy. Microbiology, embryonic implantation, and radiation and laser technology are all helping to boost the rural economy.

Further on Spark Plan Benefits

HK0604043490 Beijing CHINA DAILY in English
6 Apr 90 p 1

[By staff reporter Gao Jin]

[Text] China's four-year-old "Spark Plan" has earned huge amounts of money for the massive rural population through the introduction of advanced scientific and technological expertise.

About 5,000 "Spark Plan" projects—so named after an article by the late Chairman Mao Zedong entitled: "A Single Spark Can Light A Prairie Fire"—were completed last year, resulting in increased output value of 8.2 billion yuan (about \$1.7 billion).

The "Spark Plan" was introduced by the State Science and Technology Commission (SSTC) in 1986, and aims to popularize science and technology in the countryside and thus improve the rural economy.

A Commission official said yesterday that foreign currency earnings from "Spark Plan" projects topped \$740 million last year, about 45 percent of the combined earnings of the past three years.

Sun Zhongqian, chief engineer from the SSTC's Rural Science Department, said total investment for the projects last year was 3.76 billion yuan (\$800 million).

The investment was from government allocations, self-raised funds and bank loans.

About 103,000 projects had been completed since the programme began, and output value in rural areas had increased by about 22.2 billion yuan (\$4.7 billion), he said.

Last year, 1.2 million rural people received practical science and technology training, bringing the total trained to 5.12 million.

According to a survey in 10 provinces, 207 kinds of technical equipment have been developed to aid the township enterprises.

Sun said he expected the localities to raise more funds for the continued success of the plan this year.

He said the plan was a great help in easing shortages of vegetables, fish and meat in large and medium-sized cities such as Beijing, Shanghai, Chengdu and Urumqi.

Southwest Region

Guizhou Holds Meeting on Aiding Outlying Areas

HK2004045390 Guiyang Guizhou Provincial Service
in Mandarin 2200 GMT 16 Apr 90

[Text] Guizhou held its second meeting on commending advanced collectives and individuals that had excelled in the work of providing intellectual aid to outlying areas in Guiyang yesterday morning.

Lu Jiaxi, vice chairman of the CPPCC National Committee and concurrently chairman of Chinese Peasants and Workers Democratic Party; Wan Shaofen, deputy director of the United Front Work Department of the CPC Central Committee and concurrently leader of the Central Coordination Group in Charge of Work of Providing Intellectual Aid to Outlying Areas; and Zhang Zhu, vice minister of the State Nationalities Affairs Commission and concurrently deputy leader of the Central Coordination Group in Charge of Work of Providing Intellectual Aid to Outlying Areas, attended and delivered speeches respectively at the meeting.

Leaders of various democratic parties and the All-China Federation of Industry and Commerce also attended the meeting.

The meeting was presided over by Zhang Shukui, vice governor of Guizhou Province.

Liu Zhengwei, secretary of the Guizhou Provincial CPC Committee, delivered a speech at the meeting.

In his speech, Comrade Liu Zhengwei said that the work of providing intellectual aid to outlying areas is meaningful and important to the promotion of Guizhou's economic and social development. Various democratic parties and the All-China Federation of Industry and Commerce have for years continuously sent their members to various outlying poor areas in Guizhou and have done a lot of useful and meaningful work in those areas. Their work has epitomized the superiority and correctness of the CPC-led multiparty cooperation and political consultation system. The CPPCC committees, democratic parties, and associations of industry and commerce at all levels in Guizhou have also made a lot of effort to promote the work of providing intellectual aid to outlying poor areas over the past few years by providing all types of intellectual services to those areas and have thereby speeded up the process of shaking off poverty and achieving prosperity in those areas.

Wang Chaowen, deputy secretary of the Guizhou Provincial CPC Committee and concurrently governor of Guizhou Province, also delivered a report at the meeting. In his speech, Comrade Wang Chaowen said that various democratic parties and the All-China Federation of Industry and Commerce have promoted the building of socialist spiritual civilization and socialist material civilization by providing intellectual aid to various outlying poor areas in Guizhou. Their work is

not only conducive to promoting economic and cultural development in various outlying poor areas but also conducive to strengthening and consolidating unity among various nationalities and to safeguarding and developing the current political situation of stability and unity in Guizhou. Their work is both of great political significance and great economic significance.

Comrade Wang Chaowen pointed out that between 1983 and 1989, Guizhou organized a total of more than 10,000 people to participate in the work of providing intellectual aid to outlying poor areas. More than 800 people also came to Guizhou from other provinces and regions to participate in the work during this period. As a result, some 4,500 relevant projects were built in various outlying poor areas of Guizhou. More than 0.82 million people in various outlying poor areas of Guizhou received technological training.

Comrade Wang Chaowen expressed the hope that all the comrades engaged in the work of providing intellectual aid to outlying poor areas will continue to adhere to the principle of seeking truth from facts, promote the work of providing intellectual aid to outlying poor areas in light of their local conditions, promote agricultural development in outlying poor areas, increase scientific and technological input in various outlying poor areas, carry out intellectual development in various outlying poor areas, strengthen lateral economic associations in those areas, heighten understanding of the importance of the work, and strengthen leadership over the work.

The meeting conferred certificates of merit on a total of 29 advanced collectives and 40 advanced individuals that had excelled in the work.

Provincial leaders also presented silk banners as gifts to all the central leaders attending the meeting, in recognition of their long-standing support to the work of providing intellectual aid to outlying poor areas of Guizhou.

Northwest Region

Qinghai Plans Implementation of Central Decision

HK1904140190 Xining Qinghai Provincial Service
in Mandarin 2230 GMT 16 Apr 90

[Excerpts] The Fifth Plenary Session of the Seventh Qinghai Provincial CPC Committee was held in Xining on the morning of 15 April.

The main items on the agenda of the session are to discuss how to study and implement the spirit of the Sixth Plenary Session of the 13th CPC Central Committee and consider and adopt opinions of the Qinghai Provincial CPC Committee on carrying out the decision of the CPC Central Committee on strengthening the ties between the party and the people.

Provincial party committee Deputy Secretary Tian Chengping presided over the meeting and conveyed more spirit of the Sixth Plenary Session of the 13th CPC Central Committee.

Provincial party committee Secretary Yin Kesheng made a speech at the meeting. He pointed out: Following the Sixth Plenary Session of the 13th CPC Central Committee, the provincial party committee immediately put forth its initial opinions on how to implement the spirit of the session while conveying it, and decided to work out detailed rules and regulations for implementation of the Sixth Plenary Session spirit. After a month of efforts, the Qinghai Provincial CPC Committee has now basically completed the drafting of a document on implementation of the decision of the CPC Central Committee on strengthening the ties between the party and the people. After discussions, members of the provincial party committee Standing Committee agreed to submit the document to the present plenary session for discussion. In his speech, Yin Kesheng also provided explanations to some major issues which cropped up in the course of drafting the document. He pointed out that the essence of the decision adopted at the sixth plenary session is to strengthen the ties between the party and the people, fully rely on and have faith in the masses of the people, maintain stability of the state and society, push forward the task of carrying out economic improvement and rectification and deepening the reform, make all fields of work a success and give a boost to the province's economy. Comrade Yin Kesheng pointed out: On the basis of this basic ideology, while implementing the sixth plenary session spirit, we should arrange all work closely around the central task of strengthening the ties between the party and the people in line with the present actual situation in our province, fully arouse the enthusiasm of the people, unite as one to struggle hard and overcome difficulties, further consolidate the political situation of stability and unity in the whole province and push forward the task of reform and opening up in our province. Proceeding from the basic ideology, the provincial party committee stressed a three-point guiding ideology when discussing and putting forth opinions on implementation of the sixth plenary session spirit. 1) The spirit of the sixth plenary session decision should be reflected and implemented in an all-round way. 2) Features of our province should be embodied in the light of actual conditions in our province. 3) Stress should be placed on solving some practical issues and the sixth plenary session decision should be carried out in the spirit of party rectification.

Yin Kesheng concluded that based on these guiding ideologies and essential opinions, the provincial party committee General Office invited the departments and quarters concerned to discuss and revise the draft opinions on implementation of the sixth plenary session decision, and circulated the draft to leaders of autonomous prefectures, prefectures and cities as well as all departments, democratic parties and mass organizations to solicit their opinion. [passage omitted]

The session will last three days. Those attending it included members and alternate members of the provincial party committee, members of the provincial advisory commission and the provincial discipline inspection commission, party-member vice chairmen of the provincial people's congress, party-member vice chairmen of the provincial Chinese People's Political Consultative Conference committee and secretaries of party committees of autonomous prefectures and prefectures. And secretaries of party committees or leading party groups of departments at the provincial level, universities and colleges, scientific research offices, and large and medium-sized enterprises attended it as observers.

Traveler Reports Unrest in Xinjiang Region

HK2004114690 Hong Kong AFP in English
1124 GMT 20 Apr 90

[By Robert MacPherson]

[Text] Beijing, April 20 (AFP)—Police threw up roadblocks across China's far-west Xinjiang region after masked Moslem Uygurs stole guns from a military base near Kashgar, travellers said Friday.

The theft apparently occurred just before bloody riots April 5 and April 6 in Artux town just north of Kashgar, in which at least 60 civilians and eight police were reported killed, they said.

Kashgar was made off-limits to foreigners after the riots, but the state-run China International Travel Service (CITS) said they could return from Monday in organized tours.

One traveller who spent a week in Xinjiang said in an interview that according to several sources, a group of Moslem Uygurs stole an undetermined number of weapons from a military base near Kashgar early this month. The theft was apparently planned well in advance, as one source cited by the traveller said the gang dressed in black and wore masks when they pounced on the base.

Chinese authorities responded by throwing up roadblocks on the two highways that skirt the Taklimakan Desert, which links Kashgar with the regional capital of Urumqi, the traveller said. Soldiers with AK-47 assault guns also manned roadblocks about a week ago on the road between Urumqi's airport and city center, but the traveller said tensions in the capital had eased since then.

Earlier reports from travellers said troops were airlifted to Kashgar and two other towns, Kuqa and Hotan, after the Artux clash, in which rioters reportedly carried guns. Kuqa is on the north road from Urumqi to Kashgar and Hotan on the south road.

Xinjiang regional officials have neither confirmed nor denied reported disturbances, saying only that the situation "now" was normal. Nor have official newspapers reported any trouble.

More than 60 percent of Xinjiang's 14.3 million people are Moslems, the majority of whom are Turkic-speaking Uygurs, Kazaks and Kirgiz. Han Chinese emigrants constitute the remainder.

Several travellers say Xinjiang has witnessed an upsurge of Turkic nationalism that echoes restiveness in the neighboring Soviet republics of Kazakhstan, Kirgizia and Tajikistan.

Xinjiang's Moslems are also reportedly angered by regulations imposed in March banning the unauthorized construction of new mosques and Koranic schools.

Three times the size of France, Xinjiang also borders Afghanistan and Pakistan-controlled Kashmir. China's first nuclear test site, Lop Nor, is in Xinjiang.

In addition to banning foreigners from Kashgar, Xinjiang officials have outlawed travel by local residents

except with special authorization, according to the traveller, who spoke on condition of anonymity.

"They seem to be trying to keep the Uygurs from moving around," the traveller said. "The buses on the roads are empty."

In Urumqi, the traveller was told that two ethnic Chinese were killed late last week in an assault in the city's Erdaqiao district, a sign of friction between Turkic-speaking Moslems and Han Chinese.

Turpan, once a predominantly Uygur oasis town southwest of Urumqi, has meanwhile seen an drastic increase in Han Chinese settlers, many of whom have roots in Shanghai.

"It's no longer the small village it was two years ago," the traveller said, adding that a new People's Liberation Army garrison has been built in Turpan and more soldiers appear to have been stationed there.

Wego Chiang Denies Secret Meeting With Deng

OW2004093890 Taipei CNA in English 1556 GMT
18 Apr 90

[Text] Taipei, April 18 (CNA)—National Security Council Secretary General Wego Chiang categorically denied Wednesday that he met secretly with Communist China's paramount leader Teng Hsiao-ping.

He told a joint session of the Legislative Yuan budget, foreign affairs, and defense committees that such reports were "groundless" and "guesswork." "How could I have contacted the chief of our enemy?" he asked in response to a report by syndicated U.S. columnist Jack Anderson, which had aroused widespread interest here.

"I would do that only after having been ordered to, and since I have not been ordered, I would never do that," he stressed, adding that "If such a mission should be called for, it should be given to a special envoy, but not me."

Chiang's explanations did not stop opposition legislators from pressing for further explanations, so, in the evening session, he said he would "take appropriate action" to disprove the Anderson column.

However, before deciding on the kind of action he would take, he said he would ask President Li Teng-hui's opinion, and would inform the Legislative Yuan.

Legislator Yeh Chu-lin of the Democratic Progressive Party [DPP] said she was "happy and pleased to hear Chiang clear up the rumor.

Another topic of DPP lawmaker interpellations was Chiang's ideas about national unification.

The half-brother of late President Chiang Ching-kuo said his calls for China's unification was conditioned on the continued freedom and prosperity of the 20 million people on Taiwan.

"We should by no means sacrifice the interests of Taiwan people for the sake of national unification," he affirmed.

Asked about his attitude toward Taiwan independence, long a taboo on Taiwan, Chiang said he personally would not object to public discussion of the topic in a "peaceful and rational manner."

Still, he stressed, only China's eventual unification would make the continuation of Taiwan's long-standing freedom and prosperity possible.

When asked how to achieve unification, Chiang said the main strategy should be a "soft offensive" which relied on mainland Chinese "internal strife" to topple the communist regime.

As to how to carry out the strategy of the "soft offensive," Chiang declined to comment on grounds of confidentiality.

Commentary Lists Conditions for Mainland Trade

OW1904144290 Taipei CNA in English 1407 GMT
18 Apr 90

[Broadcasting Corporation of China commentary: "New Conditions for Mainland Trade"; CNA says this commentary "does not reflect the opinion of CNA."]

[Text] The message to exporters in the Republic of China on Taiwan is: Hold your horses on trade with the Communist-occupied Chinese mainland. Unless Peking agrees to certain conditions, Taipei will still discourage traders from developing mainland markets.

The message of caution comes from the Ministry of Economic Affairs. Ministry spokesmen on Tuesday announced a new set of three conditions Taipei would have for opening trade with the mainland further. The conditions are the first clear-out policy statement from the ministry on this rather sensitive subject.

A ranking ministry official identified the three conditions as: First, Peking must safeguard the interests and lives of Taiwan investors on the mainland; second, Peking must grant Taiwan investors full freedom in operating their businesses and allow them to engage in fair competition with mainland and foreign companies; and finally, Peking must show good will toward Taiwan and not launch boycotts or make other threats whenever Taipei joins international economic or trade activities or organizations.

The official said the three conditions are designed first and foremost to help Taipei monitor trade and investment activities across the Taiwan Strait. Otherwise, he said, it would be too risky for Taiwan businessmen to get too involved with the mainland market.

Meanwhile, the Taipei Government will continue to urge Peking to foresake the use of force, or even such threat of force, in solving China's unification problem. To this day, Peking has refused to disavow the use of force against Taiwan, making the Government here obviously wary about the Chinese Communists' own intentions toward Taiwan.

Since 1987, Taipei has shown a great deal of flexibility and goodwill toward the mainland. People-to-people contacts have expanded, with nearly half a million Taiwan Chinese having visited the mainland. Taiwan journalists also may report news on the mainland. For its part, Mainland China has permitted the mostly one-way exchange with Taiwan to occur in an uneventful manner.

But Peking's threat of the use of force, and the Chinese Communist regime's insistence on maintaining a hardline brand of communist rule, remain serious roadblocks to Taipei's efforts to forge improved mutual understanding between the two sides of the Taiwan Strait.

On Monday, Economics Minister Chen Li-an reiterated the Government's position, saying direct trade and investment links with the mainland would still be outlawed for those reasons. He said indirect trade would be permitted, because the Taiwan businessmen receive

some guarantees on safety when going through middlemen, usually in Hong Kong.

Depending on Peking's responses to Taipei's three conditions, Taipei will gradually relax its policies on trade and investment with the mainland.

Peking has expressed a desire to open up more contacts with Taiwan, but cannot seem to free itself of the hardline communist policies that scare Taiwan, and Hong Kong for that matter, away. Peking cannot have its cake on those policies, and eat Taiwan and Hong Kong, too.

Hong Kong

Legislator Warns U.S. on MFN Status for PRC

HK2004071890 Beijing ZHONGGUO XINWEN SHE
in Chinese 0958 GMT 19 Apr 90

[Report: "Hong Kong Legislator Says U.S. Abolition of China's Most-Favored-Nation Status Will Harm Hong Kong"—ZHONGGUO XINWEN SHE headline]

[Text] Hong Kong, 19 Apr (ZHONGGUO XINWEN SHE)—In an interview with our journalist, Hong Kong Legislative Councillor and former American Chamber of Commerce chairman Paul Cheng Ming-fun said that the United States' abolition of China's most-favored-nation status would result in negative consequences, and that even U.S.-Hong Kong trade would be adversely affected.

Mr. Cheng pointed out that some U.S. congressmen had infiltrated political factors into the economic and trade realm and attempted to sanction China by abolishing that country's most-favored-nation status. He felt that it was not a wise move. He hoped that the U.S. authorities would take into consideration the Chinese people, and the wishes and interests of the Hong Kong and U.S. industrial and commercial sectors before deciding whether or not China's most-favored-nation status should be abolished.

At present, there are 900 U.S. companies in Hong Kong, most of which have direct or indirect trade ties with the mainland. These U.S. companies, which are trading with China or planning to invest in China, will be impacted if the U.S. abolishes China's most-favored-nation status. At the same time, China's exports to the United States can be expected to plunge immediately, and there will also be a significant drop in U.S. imports to China. Because of the aforesaid reasons, there will be a cooling off in the excellent trade ties maintained by the two countries throughout all these years.

Mr. Cheng pointed out that the development of Sino-U.S. economic trade in the last few years not only benefitted the two countries but also Hong Kong. According to United States Information Service figures, the total U.S. trade volume with China in 1989 was 17.8 billion U.S. dollars, of which U.S. imports from China constituted 12 billion U.S. dollars. This, in turn, represented a 40-percent growth over 1988. U.S. exports to China, at 5.8 billion U.S. dollars, increased by 15.7 percent. Some two-thirds of China's exports, including the textiles, toys, and electronic products manufactured by Hong Kong businessmen who have established factories in the mainland, are transported to Hong Kong and re-exported to the United States; the United States has categorized all these goods as Chinese exports. If the U.S. abolishes China's most-favored-nation status, Hong Kong businessmen will also be faced with the problem of high tax rates.

Hong Kong's entrepot trade will be severely impacted by the U.S. action, for it is the main entrepot of Chinese goods. Even the territory's monetary and freight sectors will suffer.

Mr. Cheng revealed that the American Chamber of Commerce had decided to send a delegation to Washington to explain the situation to U.S. senators and representatives and to provide them with various kinds of analysis data and reports on the effects of the abolition of China's most-favored-nation status on the Hong Kong and U.S. industrial and commercial sectors.

Basic Law Committee Holds Closing Reception

OW2004013090 Beijing XINHUA in English
0031 GMT 20 Apr 90

[Text] Hong Kong, April 20 (XINHUA)—The contribution made by members of the Consultative Committee for the Basic Law (CCBL) of Hong Kong was praised by Zhou Nan, director of the Hong Kong branch of XINHUA News Agency, at a dinner party here last night which wrapped up the activities of the CCBL.

The consultative committee was established in December 1985 to help solicit local opinions on the drafting of the basic law of the future special administrative region of Hong Kong. After the promulgation of the Hong Kong Basic Law in early April this year by the National People's Congress which marked the end of the mission of the CCBL, it was decided that the CCBL would dissolve by the end of this month.

Stressing the historic significance of the basic law at the dinner party, Zhou said, "Entrenching the strategic policy of 'one country, two systems' put forward by the Chinese Government in legal form, the basic law is of profound international and historic significance. This legal instrument has given full expression to the cardinal interests of all Hong Kong residents and will lay a solid foundation for the future stability and prosperity of Hong Kong," Zhou said.

"The birth of the basic law is closely connected with the hard work of the Consultative Committee for the Basic Law. In the drafting process of the basic law, the Consultative Committee for the Basic Law rendered effective support from beginning to end," he added.

"Despite their different backgrounds and viewpoints, members of the consultative committee, in the spirit of democratic consultation and with a highly conscientious and responsible attitude, submitted a great many constructive opinions as useful reference, while faithfully and dutifully conveying the opinions and proposals from various sectors in Hong Kong to the drafting committee," Zhou noted.

Zhou also read out a congratulation message from Ji Pengfei, chairman of the drafting committee for the basic law and director of the Hong Kong and Macao Affairs Office of the State Council.

"The birth of the basic law records the historic stride made by the Chinese people in achieving national unification. It also registers the results of those who have worked hard for it," Ji says in his message.

The applause to the adoption of the basic law at the National People's Congress also embodied the praise and gratitude of the whole nation to the consultative committee, Ji adds.

"In the entire drafting process, the drafting committee and the consultative committee promptly communicated with each other on various levels and through various means, and reached consensus progressively on the basis of mutual respect and understanding," Ji notes, adding that all these provided favorable conditions for the final completion of the basic law.

Ji encourages members of the CCBL to continue to work hard for the promotion and implementation of the basic law.

Also speaking at the dinner party, T.K. Ann, chairman of the CCBL, attributed the birth of the basic law to the "painstaking care and hard work of many people." He also expressed the hope that all the local people will, with consistent devotion, play an active role in the affairs of Hong Kong society.

Governor Refutes Criticism on Beijing Meeting

HK2004020990 Hong Kong *SOUTH CHINA MORNING POST* in English 20 Apr 90 p 7

[By Helen Signy]

[Text] The Governor, Sir David Wilson, yesterday described as "nonsense" the allegation that he had to crawl to Beijing to seek an audience because Britain had denied Hong Kong access to talks on the territory's future.

The comment was made earlier this week by the chairman of Honour Hong Kong Campaign, Mr Simon Murray, in London.

But at the opening of the new Shing Mun Tunnels yesterday, Sir David said: "I have a great deal of say, and as for people using these sort of imaginative words like 'crawling', I think the only crawling that anybody in Hong Kong does is in a traffic jam, which is one good reason for opening a new tunnel."

The \$1.3 billion twin-tube tunnels, which have taken four years to build, form part of Route 5, and were opened to the public from midnight last night.

They are expected to cut travelling time from Shan Tin to Tsuen Wan from 45 minutes to 10 minutes.

Sir David also spoke of Britain's nationality package and dismissed as "highly hypothetical" talk of it becoming blocked during its lengthy committee stage.

The bill had stirred great interest in Hong Kong, and he hoped it would achieve its aim of encouraging a key number of people to stay to contribute to the future success of the territory.

Many Guangdong-funded Enterprises Close or Merge

HK1604054390 Hong Kong *HONGKONG STANDARD* in English 16 Apr 90 p 1

[By Cheung Lai-kuen in Guangzhou]

[Text] More than 200 Guangdong enterprises established in Hong Kong have been closed or merged in the 18 months since China's austerity programme was implemented, the province's deputy governor said yesterday.

Yu Fei said about 100 officials sent to Hong Kong had been recalled by the provincial government.

Mr Yu was speaking after the opening ceremony of the Guangzhou Spring Trade Fair.

Early last year the Chinese government promised to look into accusations by some Hong Kong commentators and businessmen about alleged malpractices of Chinese officials in the territory.

The Chinese authorities said officials found guilty of misconduct would be penalised and called back to the mainland.

Mr Yu refused to elaborate on the reasons the 100 officials were recalled.

"The rectification campaign launched by the Guangdong provincial government to investigate and consolidate companies set up in the province and in Hong Kong has basically finished," he said.

"The rectification of companies is a long term task of the provincial government," he said.

There is no official figure on the total number of Guangdong enterprises in Hong Kong but financial analysts in the territory estimated that several thousand Guangdong-linked enterprises had been established here.

Guangdong, the richest province in southern China, has the closest economic ties with Hong Kong.

Apart from the 200 companies closed here, several thousand companies in the province have been shut or merged with others during the austerity programme.

However, Lei Yu, Vice-mayor of Guangzhou, said the Yue Xiu Enterprises would not be affected by the austerity drive. The Yue Xiu Enterprises, one of the most powerful Chinese enterprises in Hong Kong, is the representative company of the Guangzhou Municipal Government in Hong Kong.

Texxon Industries, a joint venture in Hong Kong in which Yue Xiu has a 50 percent stake, applied for bankruptcy in Hong Kong in early March with a HK\$320 million debt.

However, Mr Lei said the Yue Xiu would remain as the investment arm of the Guangzhou government in Hong Kong.

"A number of management personnel have been sent from Guangzhou to Hong Kong recently to cope with the future development of Yue Xiu. They will seek a better performance in Hong Kong than in the past," he said.

Despite the austerity programme, Guangdong province has been able to attract massive foreign investment.

Mr Yu disclosed that two oil refineries were being planned in Guangdong which would be the province's largest foreign investment.

"The China National Off-Shore Oil Corporation, Shell Hong Kong Limited and the China Merchant Group in Hong Kong are seeking a suitable location for an oil refinery," Mr Yu said.

The total investment of this joint venture would be more than U.S.\$2 billion (HK\$156 billion).

Although the planned oil refinery had not yet been approved by the central government, Mr Yu said he had confidence on the project.

He said the Thailand-based CP Group was seeking a suitable location in Guangdong for a ethylene plant and a processing plant.

The CP Group has shown preference for a site in Huiyang country, where the Panada Car Manufacturing plant would be located, according to Mr Yu.

He said a delegation from the CP Group had visited Huiyang last week.

Mr Yu said Guangdong aimed to lure foreign investment in infrastructural projects like energy and other basic industries.

Incorrect Emigration Estimates Revised

HK2004021190 Hong Kong SOUTH CHINA MORNING POST in English 20 Apr 90 p 7

[By Simon Macklin]

[Text] Estimates of the number of people who emigrated last year have been revised after officials accepted their original calculations were incorrect—but the Government will keep the figures secret in future.

The Deputy Information Co-ordinator in the Chief Secretary's office, Mr Mike Rowse, said details were now being made available by foreign consulates on a confidential basis.

While country-by-country estimates for last year had been wrong, the total of 42,000 was found to be still correct.

More people had gone to Canada than estimated, but fewer had gone to Australia and the United States.

The Government previously released information for each country based on the number of applications for a certificate of no criminal conviction and other information.

Mr Rowse denied that by refusing to reveal each country's details in future, the Government was playing down the brain drain as a means of protecting confidence in the territory.

"I once again make clear that the Hong Kong Government has no interest in either overstating or understating the extent of the situation.

"All our energies have been devoted to making the figure as accurate as possible.

"To achieve this, the finest professional expertise available within the Hong Kong Government has been tapped to devise and refine the statistical model on which we work."

In April last year, the Government gave estimates of the number of people leaving for Canada, Australia and the U.S., the three main emigration destinations.

Mr Rowse conceded the estimates for each had been wrong.

"Like all our statistics, these estimates are continuously updated on a monthly basis as new data is received from various sources.

"The total of 42,000 persons to all countries remains the same," he said.

The U.S. consulate in Hong Kong last year issued 11,032 emigration visas, some of which were issued to Macanese and other non-Hong Kong nationals.

The Government had estimated about 12,800 Hong Kong citizens would settle in America.

Final figures for the number of Hong Kong people who settled in Australia last year are not yet available, but officials in the Australian consulate say the figure is likely to be lower than the 10,900 estimated.

The final number of Hong Kong people who emigrated to Canada last year is not yet know, but Canadian officials say it is likely to be closer to 21,000 than the 16,400 estimated by Hong Kong officials.

Mr Rowse insisted the government figures were the most accurate available.

"To the best of my knowledge, no serious researcher of the subject has any substantial reservations about either our methodology or our findings.

"Indeed, many now quote the government data in their own research work."

The Social Science faculty of the Baptist College together with City Polytechnic are jointly researching the brain drain.

END OF

FICHE

DATE FILMED

23 April 1990

